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Brazil

Rio de Janeiro TV reports that President Collor's Cabinet has resigned "en masse." In a Brasilia radio report, Economy Minister Marcilio Marques explained the resignation as "a collective decision by the ministerial Cabinet and the Secretariat to give full freedom to the president to reorganize his team and prepare his government for a new stage in the remaining two years of his administration." In a later report, the presidential press secretary announced that Celio Borja had been designated the new justice minister, and Helio Jaguaribe as the new secretary of science and technology.

Venezuela

NOTIMEX reports that a strike on 30 March by 9,000 justice workers marked the beginnning of another week of protests against the government of Carlos Andres Perez. According to local news reports, neighborhood committees in Cabimas staged riots and clashed with security forces during a demonstration in which 12 people were wounded and 50 arrested. The president's promise to restore constitutional guarantees reportedly "dwindled amid announcements of further protests." Interior Minister Luis Pineurua said that "no illegal marches will receive government authorization" and that the government would be "forced to take measures, given the persistence of this conspiracy ...."

Cuba

Havana radio reports that in view of the "critical" situation of the 1,401 Haitian refugees in Cuba, the Cuban Government has decided to authorize the departure of "those refugees who...confirm their decision to repatriate voluntarily." The operation is expected to begin on 30 March. According to a Foreign Ministry communique, procedures have been instituted to accommodate the "fewer than 100" refugees who wish to remain in Cuba.

Cuba

Foreign Ministry Communique: Haitian Repatriation

FL3103012092 Havana Radio Rebelde Network in Spanish 1800 GMT 30 Mar 92

["Text" of the Cuban Foreign Ministry communique issued in Havana on 30 March on the voluntary return to Haiti of Haitian refugees in Cuba]

[Text] In recent days, national and international public opinion has been apprised of the situation of the 1,401 Haitians who have taken refuge in Cuba after leaving their country enroute to the United States, in response to the situation created in the neighboring Republic of Haiti as a consequence of the military coup against the legitimate government of President Bertrand Aristide, and who have been forced, for one or another overpowering reason, to stop in our country.

The efforts conducted with the Haitian Government to arrange for the voluntary repatriation of all those who have spontaneously expressed the desire to return to their country have also been reported. It is also public knowledge that, during certain times of the year, the arrival of vessels that capsized or stopped in the area of the northern keys or the two Cuban coastlines is a common occurrence. The captains of these vessels declare they are going to or coming from Haiti as part of the usual reshuffle of workers recruited for the most lowly and poorly paid harvest jobs in Florida. As a result of this, it has been necessary since 1982 to offer humanitarian aid with resources from Cuban institutions to more than 40,000 Haitian citizens.

However, as has been explained, the procedures to obtain their return, in close coordination among the Cuban Red Cross and the Foreign Ministry, the International Red Cross Committee, and the UN High Commissioner for Refugees, have been continuously frustrated by the Haitian authorities, who offer crude excuses and demand unacceptable and unprecedented conditions to receive their citizens who are being sheltered in Cuba.

Cuban authorities have exhausted their options to persuade the Haitian refugees to stay in Cuba until all proper procedures have been completed and the Haitians officially agree to give them all the guarantees specified by international laws. Of course, the Haitian citizens are aware that since these procedures depend exclusively on the Haitian Government, the status quo could be prolonged indefinitely. As a result of the in situ talks between Cuban Government representatives and the delegates of the refugees, it became evident that the situation in the camps has turned critical because the refugees do not want to remain in our territory; and Cuba must not, does not want to, nor is able to violate through coercion the rights of those Haitians who have been given shelter in Cuba to return to their homeland.

On the other hand, during the talks, the representatives of the refugees expressed their recognition of and gratitude for the humane treatment and facilities provided during their involuntary stay in Cuba, as well as for the numerous and intense efforts conducted to respect their individual rights and satisfy their desires in accordance with international law.

Fewer than 100 refugees have expressed the desire to remain in Cuba. The Cuban Government, in accordance with the law and in a spirit of Caribbean solidarity and brotherhood, has begun the procedures so they can stay in Cuba indefinitely. In the case of the others, who persist in their individual decision to return to Haiti even though they are aware that the Haitian authorities refuse to receive them, the Cuban Government has decided to authorize the departure of those vessels being held in Cuba which presently meet the conditions required to complete the trip to Haiti, thus beginning the return of those refugees who, after having been made aware of the peculiarity of the situation, confirm their decision to repatriate voluntarily. This operation, which has been opportunely coordinated with the UN High Commissioner for Refugees, the Red Cross International Committee, and the Haitian Red Cross, should begin today. Meanwhile, efforts continue to return the rest of the refugees who want to return to Haiti, but whose vessels are in no condition to leave port.

Meanwhile, the Cuban Red Cross, with the assistance, support, and help of the People's Government of Guantanamo Province and the cooperation of the UN High Commissioner for Refugees and the International Red Cross Committee, will continue to provide humane care and material help to those Haitian citizens who will have to remain in Cuba, or those who want to stay indefinitely in Cuba.

Issued in Havana City, 30 March 1992.

Industry Minister on Trade With Latin America

PY3003154692 Moscow Radio Moscow in Spanish to Latin America 2300 GMT 30 Mar 92

[Text] The following is an interview with Cuban Basic Industry Minister Marcos Portal Leon on Cuban economic relations with Latin American countries. The interview was recorded by our correspondent Viktor Kuzmin during his recent trip to the island.

[Begin Portal recording] I ought to tell you that, as a result of the policies implemented by U.S. Governments, for many years Cuba was isolated from the other Latin American countries. With the exception of Mexico, which maintained relations with us these years, we remained quite isolated from the other Latin American countries.

Today, however, Cuba is closer than ever to Latin America. Most Latin American countries have reestablished relations with us. We ourselves visited several countries: We were in Argentina, Venezuela, and Mexico

recently. We have seen that the people in thee countries profess a great admiration for Cuba. This is what I wanted to tell you: I consider Latin America to be...[pauses] just as Jose Marti taught us, we have always dreamed of integration.

We believe that Cuba must now change its markets and sources of supplies. We view Latin American countries as our natural partners who should fill the vacuum left by the now discontinued cooperation with the former socialist countries. For instance, Cuba will never discontinue high-yield industries like nickel and cobalt because these are strategic products that yield large benefits to our country. Well, we need nearly 1 million metric tons of oil for our nickel and cobalt industries; we need more than 100,000 metric tons of sulfur; and we also need coal and ammonia, which we used to bring from the [name indistinct] of the Arctic polar area. Well, we could now get coal, petroleum, sulfur, and ammonia from Latin American countries.

Cuba will not be asking for these raw materials as a favor: It has funds available to pay for them. Are you aware of that?

There are Latin American countries that can participate in the oil development program we are implementing in our country. There are already several oil companies prospecting for oil in Cuba even at their own financial risk. Latin America has significant potential in the oil industry because countries like Mexico, Brazil, Venezuela, and Ecuador have advanced technology and important oil projects could be carried out with them. We are very interested in some mining projects in the Andean mining region, where our mining and geological experience could be useful. A certain amount of Cuban funds could even be invested in some of those countries.

Thus, we continue to look at Latin America with the same eyes: We view it as our natural continent. Our history and our heritage are strongly linked to Latin America. We are part of Latin America and today we feel strongly supported by the peoples of Latin America. This is what I can tell you about your question. [end recording]

Castro on Importance of Scientific Cooperation

FL3003233092 Havana Radio Rebelde Network in Spanish 1255 GMT 30 Mar 92

[Text] Explaining the need to collaborate to promote scientific activity in the country, our Commander in Chief Fidel Castro, in his closing speech to the constituent congress of the Science Workers Union, referred to three basic, integral elements.

[Begin Castro recording] In this effort toward scientific development, differing mechanisms have been set up. One must not think that we are only going to have the union; the union is just another integration factor. We call it that: to integrate, to cooperate. To seek that cooperation that is only possible, and is so basic, in socialism.

We have scientific forums—poles is a better way to say it. We have pursued this based on the experiences of the first pole. We are looking for ways to establish close cooperation among all the research centers in an area. At first, the idea was to do it by geographical area. There were 10 or 12 centers, so why should they not cooperate? Cooperation among centers began two or three years ago. Then we started looking for other centers in the same field that were not geographically close. For example, CENPALAB [Center for Production of Laboratory Animals] is located near Santiago de las Vegas and Biological Compounds, an installation that is almost finished and which will begin operation soon—it is partially working now--located near Bejucal. The Cuban Institute for Technical Research [ICIT] is in East Havana, close to Guanabacoa. The Institute of Animal Science is in Madruga. The National Center for Animal Health is in San Jose, but they are all related.

Therefore, what began as a relationship based on geographic location became a relationship based on fields of work. There is a center, the ICIT, that seems to have nothing to do with biological technology and medical sciences; but it has proven to be essential, and its importance was shown here. We are going to develop a great center, a good center. They had several construction projects that were to be done in conjunction with the Soviets for electronic development in the eastern part of the country, but all that has blown away, as Proa would say. They quickly drafted a project and began construction. In less than two years we will have completed the ICIT Research and Production Center. For some time, they have been supporting the scientific research centers that work with electronic computers, besides all the other important things that they do. This electronic center seemed to have no relation to these centers, but they have an enormous relation to the centers, and today we saw here that they can help other centers of the country. [end recording]

Fidel added that among the great efforts being made in the country, scientific activity must be prioritized and given full attention.

Castro Visits Medical Students, Faculty at Farm

FL3003205092 Havana Radio Progreso Network in Spanish 1200 GMT 30 Mar 92

[Text] Cuban President Fidel Castro visited with a group of students, professors, and workers from the Havana School of Medicine at one of the Batabano Miscellaneous Crop Enterprise camps on March 29. The distinguished collective has been harvesting potatoes and tending tomatoes, plantains, and other agricultural products.

A group of vanguard workers was decorated in the presence of the Cuban president, and a check for 200,000

pesos was presented to Roberto Robaina to help finance the Sixth Congress of the Union of Young Communists.

During the visit with the Havana Medical Faculty collective in Batabano, Fidel exchanged comments with a large group of voluntary workers gathered there and, among other things, said:

[Begin Castro recording] We already have enough potatoes to last us through 31 May. [Words indistinct] August, and September, what we will have left after April will have to last through October and November at least, conservatively, because there are more potatoes than we have calculated. They distributed eight per capita in April, [pauses] in March. They are already distributing the potatoes for April because some must be distributed and we do not want any disorganization. We do not want to distribute all the potatoes now and then be left with none for later. We want to continue guaranteeing the monthly average during off-season months.

There is the plantain, the great friend that arrives. Plantains laugh at the rain and the heat. That is what they like. When every other crop is suffering, plantains are thriving. There must be an increase of plantains during the months of June, July, and August. There must be more yams, yucca, and more vegetables. [end recording]

Audit Results in Dairy Enterprise Investigation

FL3003193692 Havana Radio Progreso Network in Spanish 1200 GMT 30 Mar 92

[Interview with Juan Carlos Soto, chief public prosecutor for the Department of Control of the Havana City Province Public Prosecutor's Office, by judicial reporter Alemai; place and date not given—recorded]

[Text] [Soto] Taking into account the administrative work the Prosecutor's Office is currently doing to verify social aspects that directly affect distribution, consumption, and the production of food for the people, the Municipal Public Prosecutor's Office for Arroyo Naranjo audited the Santa Beatriz Enterprise, which is part of the Metropolitan Dairy Products Enterprise of the Food Industry Ministry.

Among the violations discovered, the ones we consider most important are the following: It was discovered that the cafeteria of this establishment did not comply with established accounting procedures. The resale of noncanceled sales tickets was proven, which resulted in a lack of control of the sale of this product, specifically of ice cream, during a period from 1990 to November 1991. As a result of these actions, approximately 36,000 pesos were not deposited in the cash registers.

Second, the Prosecutor's Office also discovered, during the audit, a high percentage of breakage of milk containers at the establishment. Nevertheless there were no consequences; that is, an investigation of the principal causes for this happening in the establishment was not held. Also, and to our way of thinking this is the most important result of this audit, there was a large number of broken liter milk bottles, that is new liter bottles, and yet the administration of the enterprise never investigated it. There is always a certain percentage of empty bottles that get broken, and yet in this enterprise this percentage was a lot higher than the norm. A serious analysis was never made to determine why and, well, to eliminate negative situations that affect production.

Taking into account the seriousness of the infractions discovered, the Prosecutor's Office is seeking the application of disciplinary measures against 14 employees, including the administrator of the enterprise; criminal investigations will continue, because, as we know, there is the presumed commission of the crime of embezzlement for the misappropriation of cash that we mentioned as part of the first violation.

This means that this case was handled by the Instruction Department of the Provincial Prosecutor's Office and is currently pending in the Havana City Provincial Court. We must also add that once the officers of the Metropolitan Dairy Products Enterprise learned of the audit they presented themselves, the management of the enterprise, to the prosecutor and began to outline strategies to solve the problems that were discovered. Their plan contains measures to cope with the problems discovered in the audit, which, to our way of thinking, would go a long way toward solving the problems discovered.

Matanzas Province Surpasses Energy Savings Goal

FL3003185692 Havana Radio Progreso Network in Spanish 1200 GMT 30 Mar 92

[Text] Residents of Matanzas have used only 98 percent of the fixed quota of the electric program in the first 25 days of March, a savings of approximately 300 tons of petroleum.

Jose Luis Vigil, specialist of the Basic Electric Organization in Matanzas Province, indicated that the power was shut off only three times during the period, totaling less than 70 megawatt hours. The specialist pointed out that the favorable management of sugar centers, which saved more than 500 megawatt hours over the program quotas, must be added to compliance with the electric consumption quotas by Matanzas residents.

The residential sector of Matanzas Province, which currently uses approximately 40 percent of the province's electricity, has reported a significant reduction from 118 kilowatt hours, which was the average in previous months, to 108. A sign of behavior surpassing the austerity goal.

Ciego de Avila Increases Railroad Transportation

FL3103021192 Havana Radio Reloj Network in Spanish 2039 GMT 30 Mar 92

[Text] The suburban train that crosses Ciego de Avila City several times a day has transported more than

17,000 people from the end of January to date, contributing toward confronting the automotive equipment deficit. This means of transportation covers more than 25 km each trip and officially stops in areas of high public concentration. In this manner, work centers, schools, agricultural enterprises, and numerous towns in Ciego de Avila are all connected. Among the municipalities most benefited are Ciro Redondo, Ciego de Avila, and Venezuela. The suburban train passes the pineapple enterprise employing over 500 workers.

The passenger cars were constructed in the railroad workshop of Moron City. This operation is part of a provincial plan that also includes the use of taxis and double-body busses.

* Produce Supply, Distribution Efforts Reported

92CA0112A Havana BOHEMIA in Spanish No. 10, 6 Mar 92 p 37

[Text] It is not yet time to celebrate, but do you not perceive on the stands of the agricultural distribution centers that the Food Program's promises are little by little becoming a reality? Of course, finding a number of specific agricultural products requires an investment in time to buy them. In our everyday life we have grown very familiar with the rather unmusical and unpleasant word "cola" [line]. But with it or without it, sometimes with a coupon book and at other times without it, we are now harvesting the results of the intense effort the nation has made to increase our food supplies.

Oranges and grapefruit, tomatoes and peppers, plantains and cabbages, carrots and beets, garlic and onions, this and that: with their ripeness and aromas (even if their presence is discreet at first), they all attest to the fact that now and in the future we shall have whatever we are capable of producing.

Every day newspapers and magazines or radio and television programs report news that encourages this optimism. Pay attention and you will find it is true; probably no other issue is getting more media coverage.

In recent days, for example, it was reported that Pinar del Rio hopes to harvest nearly 1 million "quintals" of tomatoes this season; it has the necessary labor force, and the crops are in excellent condition. The harvest season is now entering its peak phase with a daily harvesting rate of 6,000 "quintals."

Other very encouraging news concerns the potato harvest. In Guines, one of the major potato-producing towns in Havana Province, to use this case an an example, the potato harvest should be over 275,000 "quintals," more than last year, even though 17 fewer "caballerias" were planted. But the weather has been favorable, and people have taken great pains with agricultural work.

Even without concrete data in hand about citrus crops, we can already say that never before have our citrus-producing regions been in closer touch with consumers; this is the result of serious organizational efforts and some [illegible] programs. Among them, in the particular case of the city of Havana, we can mention the bulk fruit shipments from Matanzas. Fruit was transported to the capital in railway cars (in the past, only trucks were used). This change was made because of the conditions prevailing during this Special Period, but the results are so encouraging that this method may well be used at any time.

As transportation is a key factor in the success of this battle, Operation Agro-92 was initiated. Using well planned and better designed systems, they hope to provide fluid and flexible transport for the large quantities of produce to be harvested during the peak phase of the cold crop season (March-April). In addition to Minagri [Ministry of Agriculture] trucks, several hundred vehicles and railway cars will be used to transport farm produce. Most of them will be provided by Mitrans [Ministry of Transportation], and the rest by about 14 organizations and agencies, notably including Minfar [Ministry of the Revolutionary Armed Forces]. A vital part of this operation is the labor force, both in the country and in large wholesale receiving centers, who will handle loading and unloading.

Even if we used very small type, there is no way we could truly describe in this short section how much the Food Program accomplishes in just one hour in terms of research, self-sufficiency plans, labor mobilizations, recovery of parts and use of fuel; it would go beyond the limits of this entire magazine. We can only summarize by saying that what we do have room for is optimism. For, over and above what the media have said, there is a visible and palpable reality now emerging: a reality that can also be smelled and tasted.

* Joint Protestant Groups Issue Declaration

92CA0110A Havana GRANMA in Spanish 3 Mar 92 p 2

[Text] We the participants in the pastoral conference, "The People of Cuba Today," where we were brought together by the "El Fuerte" Christian Center for Reflection and Dialogue, the "Augusto Cotto" Information and Study Center, the Ecumenical Council of Cuba, the Christian Student Movement, the Evangelical Theology Seminary, the Christian Conference for Peace, Ecumenical Social Action, the Luyano Presbyterian Center, the Martin Luther King Memorial Center, Baptist Worker-Student Coordination of Cuba, and the Latin American Union of Evangelical Youth,

Hereby declare:

That as a church we are called upon to make use of the gifts the Holy Spirit gives us to work for the liberation and dignity of human beings.

Fully conscious of our duty to conduct pastoral and prophetic work in our condition as Cuban people, at a time when the sovereignty of our nation and its future are more than ever before threatened by sustained aggressive assaults by the United States Government and its allies.

We reaffirm the right of the people of Cuba to seek our own solutions, backed by the respect which other nations owe to the Cuban people.

We are living through extremely critical moments because of the disappearance of what was called the socialist world in East Europe, the geopolitical positions of the United States Government, which has the complicit support of other nations which submit to its imperial dictates, as well as the natural errors of a revolutionary process like our own.

We, the participants in this conference, after deep reflection about a number of issues, realize that we must conduct pastoral work that will respond effectively to the situations of this special period in which our nation is now living, while we also express once again our concern about the subtle manipulation of the principles of the Christian faith to mask positions which strike at the stability and well-being of our people.

We reject attempts to analyze the Cuban situation from airconditioned offices, attempts which are the product of worn-out minds and pseudo-theologians willing to work for the highest bidder; we consider such efforts tendentious and irresponsible.

We restate our unshakeable determination to continue to move forward with the Cuban people, of whom we are a part, seeking ways to eradicate problems and to help to build and develop a new society.

We express our readiness to continue working actively in the ranks of those who have given everything, even their very lives, to protect the gains our nation has won; we take pride in their example and sacrifices which have allowed us to hold high the banners of freedom and socialism. We are certain that we shall step into their places whenever that may become necessary.

We accept the challenge of taking onto our shoulders the responsibility for keeping alive the hopes of millions of men and women in Latin America and the rest of the developing world. Cuba is and will be the garden of hope, an anti-imperialist bastion. These are realities to which we can not turn our backs.

We pray to the Lord of History to accompany us in this splendid crusade, in seeking the common good and peace; these goals can be reached through the path of justice.

We are certain that the words of the Psalmist will become a reality in our land: "Soon there shall be no more evildoers; however you may seek them, you shall not find them, but the meek will inherit the earth and will enjoy complete peace."

With Fidel, we repeat these words: "Betraying a poor man is betraying Christ," and we endorse the words of Father Camilo Torres: "It is the duty of every Christian to be a revolutionary."

Cardenas, 29 February 1992.

Inter-Caribbean Affairs

Decline in Tourism Recorded Throughout Region

FL3103005892 Bridgetown CANA in English 2026 GMT 30 Mar 92

[Text] Bridgetown, Barbados, March 30, CANA—Tourism arrivals to the Caribbean declined by more than two percent last year, the Caribbean Tourism Organisation (CTO) is reporting, based on data collected from 20 of 30 regional destinations. If the decline is confirmed, it will be the first since 1981 when there was a fall-off associated with the oil crisis. The other decline during the 22 years for which statistics are recorded, was in 1975, sparked by the first oil crisis. The 1991 slippage was attributed to the Persian Gulf War and recession in the main tourism marketplaces.

However, in its latest statistical news publication, CTO said the final 1991 picture may change when figures from large destinations like the Dominican Republic become available. CTO's market intelligence said recovery of world tourism is likely to be slow and will depend on their being no further disruption on the international political stage, and the rate at which the international economy will recover. The bulletin recalled that Caribbean tourist arrivals declined by more than eight percent—the equivalent of more than 350,000 tourists—during the important winter high season last year, compared to 1990. The larger destinations were generally the hardest hit.

"The result has been a substantial loss to the region's tourism sector, with ramifications that will be felt for some time to come," said the report. Despite the generally weak performance, some (mostly smaller) destinations have done reasonably well. In 1991, significant growth in tourist arrivals has been reported by the Turks and Caicos Islands, Bonaire, Aruba, St. Lucia, Trinidad and Tobago, Grenada, Martinique, and St. Kitts and Nevis, while growth was moderate for Dominica.

On the other hand, declines of more than five percent have been recorded by the British Virgin Islands, Bermuda, Barbados, the Bahamas, Puerto Rico (hotel registrations only), and the Cayman Islands. St. Vincent and the Grenadines, St. Maarten, the U.S. Virgin Islands, Antigua and Barbuda, and Curacao have reported more moderate declines.

In most cases, individual performances during the summer months have been better than earlier in the year although the level of improvement has varied. Improved summer performances have been strongest in Trinidad and Tobago, Martinique, St. Lucia, St. Kitts and Nevis,

while Bonaire and Aruba have further improved upon their relatively good performances during the winter months. Although the Bahamas and Puerto Rico also recorded declines during the summer months, these were substantially below those reported during the winter. The sharp percentage increases recorded by Trinidad and Tobago are partly due to the comparison with the period following the 1990 coup (attempt) when tourist arrivals declined sharply. The British Virgin Islands recorded sharp decreases during the summer months folowing the closure of air BVI, an important commuter carrier—which, reportedly, will be flying again soon. The rate of recovery during the summer months has generally been slow. Certainly, the sharp rebound in tourist traffic to the region which had been expected in some quarters has not materialised.

In fact, after marginal increases in May and June, and increasingly larger percentage increases in July and August, overall tourist arrivals to the Caribbean grew only marginally in September and fell (albeit moderately) in October, November, and December. This performance was due to poor performances from the United States and Canada, due primarily to the economic difficulties experienced in those markets and the associated decline in consumer confidence. This is very sobering news indeed, for there are indications that the depressed economic conditions in North America will continue through Spring 1992.

The Caribbean hotel sector has naturally been very hard hit. Firstly, the sharpest declines in 1991 have occurred during the winter months when they traditionally make most of their profits. Secondly, many hotels have used price discounting in subsequent months in an effort to stimulate demand. Added to this the fact that the region's hotel sector has not, by and large, been able to achieve increases in real hotel rates since the 1989-1990 winter season. In Curacao, where the limited number of available rooms is a major bottleneck, the increase in the number of Dutch tourists (with their longer length of stay) during the summer months would have contributed to the increase in occupancy. In Aruba the dramatic increase in the number of available rooms has more than compensated for the large increase in tourist arrivals, with the result that average room occupancy for 1991 was 4.7 points below the equivalent figure in 1990. The sharpest declines in tourist arrivals have been recorded out of the United States market, with an estimated seven percent decline overall. Only Aruba, from among the larger destinations, has recorded an increase in U.S. arrivals although a number of the smaller destinations (notably the Turks and Caicos Islands and Grenada) have also done well. Indeed, a number of the larger destinations—the Bahamas, Barbados, Bermuda, Puerto Rico (hotel registrations only), and St. Maarten—have reported large percentage decreases in tourist arrivals from the United States. Overall, the number of U.S. tourists visiting the Caribbean has declined in each month of the year, with the exception of August when there was a moderate increase.

The performance out of Canada has been broadly similar to the United States, with three of the leading destinations for that market—the Bahamas, Barbados, and Jamaica—recording double digit percentage decreases. Tourist arrivals from Canada declined in each month of the year, with the exception of June (when there was an increase) and May (when arrivals only reached 1990 levels). In contrast, tourist arrivals from Europe have continued to grow robustly throughout the year, with double-digit overall growth and the performance improving in the later months. The one exception was April when the reduced level of growth would have been partly due to the lagged effect of the Gulf War (Europeans normally book earlier than North Americans and face stiffer cancellation penalties).

All markets have performed very well except for the United Kingdom, from which there has only been very modest growth. Only Barbados and Bermuda, from among the major Caribbean destinations, recorded a decrease in tourist arrivals from (Europe). In the case of Barbados this was was entirely due to a fall in arrivals from the United Kingdom. However, Barbados has continued to do very well in continental Europe. The Dutch and German markets have performed particularly well for all reporting destinations in 1991.

CMD on Area Management Skills Shortage

FL3003214092 Bridgetown CANA in English 1752 GMT 30 Mar 92

[Text] Kingstown, St. Vincent, March 30, CANA—Several leading business executives from throughout the Eastern Caribbean have pointed to the shortage of management skills as a primary reason for many of the shortcomings of the region. The business officials met here Saturday for a board meeting of the recently-established Centre for Management Development [CMD].

"The Caribbean has survived and flourished on protectionism and subsidised industries, which have institutionalised inefficiency," Kittitian Michael King said. "If we are going to break out (of) this syndrome of protectionism, subsidies, and inefficiency, we are going to do it through management." King felt that managers needed to be equipped with the modern methods and the latest technology in order to become internationally competitive. "Unless we can do this, we will remain in the backwaters of subsidised, protected economies."

Head of the Caribbean Tourism Organisation, Jean Holder, argued that the Caribbean "has a massive amount of gurus. What it does not have are good managers." Holder contended that there was an absence of good managers not just in the private sector, but in the public sector, and political circles as well. "We are importing a great deal of the people who manage the major aspects of our economy," Holder remarked. "We need to address this critically, because women are in the predominant roles at a certain level within the private

sector, but without the management training that is required to make them as effective as they can be," she said.

Head of the regional private-sector organisation, the Caribbean Association of Industry and Commerce, Pat Thompson, suggested that the region faced "immense challenges and some possible opportunities" for the production of goods and the provision of services, with the coming into being of the single European market at the end of this year, and the Enterprise of the Americas Initiative (EAI) announced by U.S President George Bush. Thompson highlighted two main elements to the future economic prosperity of the region: skilled managers, equipped with the required techniques, and appreciative of the problems confronting business, and knowledge of how they might be dealt with; and cooperation between the public and private sectors and the university community in the region. He said the CMD married both requirements.

David Kelsick of the Antigua-based Organisation of the Eastern Caribbean States (OECS) economic affairs secretariat, said: "Over the last 10 to 15 years, we (in the Caribbean) have spent a tremendous amount of finances on the developemnt of projects, and constantly we lack people to manage the projects. For this reason, we have not benefitted from the projects that we have put in place."

He said that it was hoped that within the next three to four years, "we will begin to see a reversal or change in the type or culture of management that we are at present experiencing within the region." According to Kelsick, the OECS was looking forward to the CMD changing "the culture of management within the region."

Eddie Lambert of the OECS Export Developemnt Agency (Exceda), noted that one of the failures was that of putting persons in positions for which they were not trained and prepared.

"We take our best technical people, put them into management positions, and suddenly discover that they cannot function as managers," he said. "We have to reverse that trend, whether it be cricket, athletics, running a manufacturing enterprise, or a government department. We have to consciously make an effort to develop management and managers as a science in itself, and that is one of the objectives I see in the creation of this CMD," he said.

Antigua and Barbuda

ABSBA Calls For Vere Bird's Resignation

FL3103015692 Bridgetown CANA in English 2022 GMT 30 Mar 92

[Text] St John's, Antigua, March 30, CANA—The Antigua and Barbuda Small Business Association (ABSBA) has called on Prime Minister Vere Bird, Sr. to step down amidst a growing campaign for his resignation over an allegation of financial impropriety.

The lead article in the ABSBA's monthly ENTERPRISE newsletter predicted the political demise of the 82-year-old prime and said "his legitimacy (had been) destroyed by a financial scandal of most disgraceful proportions." The opposition OUTLET newspaper made the accusation against Bird who has denied any wrongdoing. He has also repeatedly said he had no intention of resigning.

"It is simply impossible for a prime minister to be...charged with the embezzlement of public funds and continue to hold office. All standards of civilized government demand that he be removed from office forthwith," the small business association said. It, however, expressed the view that "the prime minister...will not simply walk from power, whatever the odds." The association said "most political cultures would hold it as untenable to have a head of government...accused of embezzling public funds, and would have sought immediately to clarify the matter by means of an impartial inquiry into the allegations. Such inquiry would result in either the serious punishment of the accusers for libel and slander...or the impeachment of the prime minister for the most serious breach of the sacred trust...an office whose honour and legitimacy demand that its incumbent be entirely beyond reproach...," the association said. It added: "In refusing to make any statement to the nation regarding this final and most damaging scandal in which he is involved, the prime minister underlines his contempt for the nation he governs and at the same time betrays his complete ignorance of the intense aspiration of the Antiguan people...."

The newly formed United Progressive Party (UPP), the result of a merger of the country's three main opposition parties, has called a national demonstration for April 4 and one-day strike for April 6 as part of its campaign to force the prime minister to resign.

The ABSBA said if Bird chose to go peacefully now, future generations might remember him "with a measure of kindness." The ABSBA also was critical of the present political opposition, describing the UPP as "nothing more that than disparate forces of the original PLM (Progressive Labour Movement which held power here between 1971 to 1976), regathered from three factions." It said the dilemma of the opposition forces and Antigua was that after two decades, the country "seems to have moved not a step forward in political struggle." The ABSBA has a membership of about 50.

Grenada

Unions Warn Government on Launching IMF Plan

FL3003164192 Bridgetown CANA in English 1907 GMT 28 Mar 92

[Text] St George's, Grenada, March 28, CANA—Grenada's trade union movement is warning of the

possibility of an outright battle with the government if an International Monetary Fund austerity programme is launched here.

"If Grenada goes to the IMF, every Grenadian will take the day off and march without shirts to bring these guys (government) down," a senior union official said following the failure of the latest round of negotiations between government and four public sector unions, on a new wage contract for 6,000 public servants.

The Nicholas Brathwaite administration has pledged not to seek a structural adjustment programme from the IMF, although it wants the fund's support for its independent programme drawn up by Caribbean technocrats.

"I have lived in one IMF country and I will not live in another one," Prime Minister Nicholas Brathwaite said recently.

However union officials believe the entry of the IMF directly into Grenada's economy is not very far away, pointing to the present collision course facing both government and the unions.

Analysts here say the government is caught between a stone and a hard place, since any increase in salaries will cost Grenada what is left of its credibility internationally, while the island is ripe for industrial action and a further slowdown in the economy if the authorities do not increase its one percent pay hike offer for 1990, 2.5 percent for 1991 and 2.5 percent for 1992 offer.

Government Spokesman Nolan Murray said the situation is critical because of the stipulations of the island's structural adjustment programme, which calls for a drastic reduction in government spending.

But the unions say they are acting responsible by taking the state of the economy into consideration.

"We told them (government) if they do not have the money, we are willing to accept bonds over three years and we will negotiate the interest, but they did not accept it," the spokesman told CANA.

Senator Latest 'Casualty' in Labor Party Purge

FL3003162292 Bridgetown CANA in English 2030 GMT 29 Mar 92

[Text] St George's, Grenada, March 29, CANA—Derek Knight, a long-time political ally of former Grenada Prime Minister Sir Eric Gairy, is the latest casualty of an apparent purge within Sir Eric's Grenada United Labour Party (GULP), a senior party official said.

Knight, a prominent attorney-at-law, served as a minister within Sir Eric's government which was overthrown in a 1979 coup. He still serves in Parliament as an opposition senator.

The GULP official told CANA that Knight was expelled from the party because of his alleged support for parliamentary opposition leader Winifred Strachan, a former GULP vice-president who herself was expelled by Sir Eric weeks ago.

Herbert Preudhomme, the GULP's former long-time deputy leader, was another prominent victim of the purge.

The GULP official said Sir Eric's bid to pass the leadership of the party to his daughter, Marcelle Gairy, a U.S. based lawyer, was not going down well with the rank and file.

"She said she is not involved in politics; yet he is saying she will take over the leadership in a few years. That's not making sense," the official said.

"Apart from that, she has not treated party members with any respect when she was here so they do not want her," he added.

In a related development, supporters of a faction of the GULP have started distributing handbills calling for an overdue party convention and objecting to "unconstitutional suspensions," a reference to the recent expulsions.

Sir Eric has responded by describing weekly meetings that bring together less than forty members, as "weekly conventions". He has also dismissed those calling for a full convention as "outcasts and non-entities".

Sir Eric is now 70 and blind. Some GULP supporters agreed he was "politically obsolete" and said he was hanging on to the last crumbling remains of the GULP, the oldest political party in Grenada.

Haiti

Government Discourages Protest of Court Decision

FL3003182392 Port-au-Prince Radio Tropic FM in French 1400 GMT 30 Mar 92

[Report on communique issued by the Haitian Provisional Government in Port-au-Prince; date not given]

[Text] The Haitian Provisional Government has issued a warning against any protests against the decision by the Court of Cassation, considering that this would be a serious offense and a contempt of court and of the judicial authorities.

In a press communique, the provisional executive says it is strongly concerned with the thoughtless and unfair attacks of which the Court of Cassation is currently the object. Unquote. [no reference to opening quote as heard]

CONACOM Rejects Decision

FL3003183192 Port-au-Prince Radio Tropic FM in French 1400 GMT 30 Mar 92

[Text] The Court of Cassation decision, finding the Washington agreement in violation of the Constitution, continues to give rise to reactions.

The National Congress of Democratic Movements [CONACOM] thinks it is an imposture and opens the door to catastrophe. CONACOM says in its press release, quote: The opinion put forward by the Court of Cassation represents an attempt to legitimize the coup, to reject a negotiated solution, and opens the door to an open conflict with the international community. It is a surprising opinion, an opinion open to criticism on both political and legal levels. In a word, it is an imposture. [no reference to ending quote as heard]

CONACOM goes on to say that on the legal level, contrary to its constitutional prerogatives, the Court of Cassation has given a verdict on the substance, whereas it is entitled only to decide on questions of form. It has given a verdict on a subject that has not yet been decided, whereas it should normally come to a decision after the fact. It has trod, outside of the specifically legal field, on a matter which is essentially political.

CONACOM further says that the worst is that the Court of Cassation has made itself a party to the 30 September coup through this verdict whereas the parliamentary authorities, the political parties, and the international community have joined their efforts to spare our country the hazards of such an adventure for five months. After many efforts, they reached an acceptable agreement in which each party made concessions. Unquote. [no reference to opening quote as heard]

CONACOM finally urges the National Assembly to accept its responsibilities and not to let itself be impressed by the sophisms and the threats of a group that hangs on to power without caring about the consequences entailed for the majority.

Jamaica

Prime Minister Patterson Reappoints Manley Cabinet

FL3103115392 Bonaire Trans World Radio in English 1130 GMT 31 Mar 92

[Text] P. J. Patterson has been sworn in as the new prime minister of Jamaica. Speaking after the official ceremony last night, Mr. Patterson reappointed the same cabinet that had served under previous Prime Minister Michael Manley. Mr. Manley announced last week that he was stepping down for health reasons.

Trinidad and Tobago

Charles Succeeds Robinson as NAR Leader

FL3103001492 Bridgetown CANA in English 1825 GMT 30 Mar 92

[By Linda Hutchinson]

[Text] Port of Spain, Trinidad, March 30, CANA—Dr. Carson Charles, the newly-elected leader of the opposition National Alliance for Reconstruction (NAR), said the high expectations of the Trinidad and Tobago electorate were a handicap for the former NAR government. Dr. Charles, a former government minister, was elected unopposed on Sunday at the annual party convention to succeed former Prime Minister A.N.R. Robinson who resigned as party leader after the NAR lost the government in last December's general elections.

"Certainly, the expectations were extremely high considering the historic political circumstances, and the economic conditions...," Charles told delegates. "We were expected to resolve our difficulties whatever they were by ourselves and without the interaction of the citizenry. In other words, the average citizen, having perceived the promise and having placed a particular group in power-,...was prepared to abandon responsibility for his action and did not wish to be called on to intervene in any way among members of the group."

The NAR scored a landslide victory in the 1986 general election which produced the first change of government here in 30 years. However, support for the party quickly dwindled amid the fall-out from austerity measures the Robinson administration was forced to adopt in response to a declining economy.

The NAR retained only two parliamentary seats in the December election which saw the return to power of the People's National Movement (PNM) which had held office for 30 years up to 1986.

Dr. Charles, saying the "door will open" for the NAR again, predicted the party would have another opportunity to serve as the government of Trinidad and Tobago. He said the electorate would "eat" Prime Minister Patrick Manning as pressure mounts on the PNM government to fulfil election promises.

He said "Those who are in government now promise a golden age now. They promise work for everybody and money for everybody now. Nothing is wrong with work and money for everybody, but the people were not told that they have to do anything to get it."

Addressing the convention, former Prime Minister Robinson said his major regret was not seeing Caribbean Community (Caricom) countries integrate closer through the staging of the Caribbean Festival of the Arts (Carifesta).

"I had hoped...that this year, 1992, would be a watershed year, a catechismic year...a year of inspiration not only for Trinidad and Tobago, but for the Caribbean region," Robinson said. "That is why we talked about the year of the arts, 1992, seeking to give the country a vision, Trinidad and Tobago, the region, the Caribbean...1992...so that our greatest artistes could come forward, express themselves, and give the region a vision of the future, expressing their aspirations, their ambitions of the Caribbean people, and bringing the Caribbean together, and in that context, Carifesta."

Robinson said the cultural festival was very important to the peoples of the Caricom, "so we should know who we are, where we have come from, what we have contributed to world civilisation, and where we are going in the future, what is the vision we have for us as a people of so many lands...."

A scaled-down version of Carifesta will take place in Trinidad later this year, following the announcement by the new PNM government that because of economic constraints, it was unable to host the festival as originally planned by the former NAR government. Under the new arrangement for Carifesta, Caricom states will have to bear the costs for their artistes to perform in the festival.

Robinson also commented on the significance to the region's future of the forthcoming report of the West Indian Commission, which was established on his suggestion to review the process of regional integration.

Belize

Budget Debate Ends With Accusations on Economy

FL3003142592 Bridgetown CANA in English 0123 GMT 29 Mar 92

[Text] Belize City, March 28, CANA—A two-day debate on the Belize budget ended Friday with the United Democratic Party [UDP] opposition accusing the People's United Party [PUP] government of running an economy which was going down the drain.

Opposition leader Manuel Esquivel pointed to a downturn in foreign reserves and gross domestic product, and a growing trade deficit. He said the PUP administration was squandering the economic gains of his UDP 1984 to 1989 government.

"This 1992 budget is nothing but a replay of the old tired budgets which led to the collapse of the nation's economy in 1984," said Esquivel.

Economic Development Affairs Minister Said Musa pointed to a large investment in development. He said the UDP had a deplorable record in its five-year term.

"They used to call us communists. Now we hear them calling us capitalists. All they are doing is criticising for criticising sake," he said.

The 1992 to 1993 budget presented by Prime Minister George Price projects a surplus of four million dollars on current account and economic growth of between five and six per cent. He said this was good, despite a cut in the price of sugar and setbacks for the citrus and banana industries.

An overall balance of payments deficit of 19.3 million dollars is anticipated with export earnings down 4.9 per cent and imports expected to increase 17.4 per cent to a record 4765.2 million dollars.

Defending the deficit, he said the increase in imports was due to more capital and intermediate goods rather than consumption goods, reflecting a high level of investment.

Other figures reported were inflation estimated at 5.6 per cent, foreign reserves of 129 million dollars (one Belize dollar - 50 cents U.S.), and extenal public debt up 19.6 million dollars to 285.6 million dollars. Price's 335.1 million dollar budget includes 93 million dollars of overseas grants and loan funded capital expenditure.

He said recurrent revenue was predicted to rise by 7.5 per cent to 235.4 million dollars.

Recurrent expenditure was budgeted at 184.8 million dollars, of which 97.6 million dollars will go to public service wages and salaries.

Price said the government's spending plans included more infrastructural development and accelerated economic growth to fulfill the PUP's "Belizeans first" manifesto.

He said the public service was under review to identify areas where divestment would bring benefits, and a securities market was being seriously considered.

"The economic programme also includes initiatives in sports, women's development, natural resource protection and environmental management," said Price.

Specific legislative changes include a reduction of company tax from 45 to 35 per cent, better regulation of the insurance industry, and a new package of tax exemptions for medical and educational expenses amounting to 4,000 dollars.

Kicking off the budget debate, UDP leader Manuel Esquivel charged that the "Belizeans first" manifesto had been thrown out of the window.

"First Belizeans have become the slave masters, and the toil and sacrifice of the many are fattening the few."

"The 'new' PUP have unleashed a policy of unbridled capitalism of the corrupt variety that has shocked the nation," he said.

Esquivel said the PUP had tried to mimic the UDP's economic success but not knowing how to do it had created havoc. He said foreign reserves had dropped by a "massive" 27 per cent from a high of 144 million dollars in 1990 to 105 million dollars by the end of 1991.

Costa Rica

Calderon 'Very Happy' Tax Proposal Approved

PA2603223392 San Jose Radio Reloj in Spanish 1730 GMT 26 Mar 92

[Text] President Rafael Angel Calderon Fournier has expressed his satisfaction with the approval of a proposal to eliminate tax exemptions. The president said the deputies behaved patriotically and responsibly, without serving their party or political interests. Calderon said this approval will not only make it possible for the country to have fresh resources through taxes and to eliminate a number of privileges in the country, but this administration and future ones will also be able to use funds from international agencies to implement several important development works and projects. He also said social programs will be reinforced now that the Finance Ministry will have more money. Here is Calderon:

[Begin Calderon recording] I am very, very happy. Again, I wish to recognize the deputies of all political factions. The deputies chose national interests over party interests. This is very important because our democracy is strengthened. The deputies who opposed the proposal were very responsible. I respected the arguments. The important thing, however, is that they permitted democracy to prevail. As a result, Costa Rica can now meet its obligations with international financial institutions. Now we can lower taxes and interest rates. Most important of all, the state can now allocate more money for

social sectors in the fields of health, education, and housing. There will be more money for lower-income classes and less for the privileged classes. [end recording]

President Calderon reiterated that the National Liberation Party [PLN] did not condition the discussion and approval of the law establishing the payment in advance of the debt with the political parties to the approval of the proposal eliminating tax exemptions. Calderon said it is good for the country to discuss electoral reforms prior to starting the political campaign.

[Begin recording] [Calderon] I heard PLN leaders, especially [words indistinct] and Jose Maria Figueres, present their arguments clearly and with a great national responsibility. There have been no negotiations or blackmail.

[Unidentified reporter] What is the country's status with the IMF?

[Calderon] It can be said that our status with the IMF is very well defined. We will continue our program, which the IMF will approve. In addition, as I have pointed out, this will make it possible to continue the Initiative for the Americas. The country can now obtain approximately 130 billion colones in loans, not all of which will be received by this government, but by future ones. But this is secondary. The important thing is that this money can come to Costa Rica. This is why we should be happy.

[Reporter] Can the payment for expropriated properties affect this new situation with the U.S. banks?

[Calderon] We live in a country governed by law. The United States, a country of law, knows this. Our government is giving very clear indications of good faith and trying to solve as soon as possible the problems dealing with exports to the United States. This, however, will be done in accordance with our law and in full obedience of the judicial powers. We must realize this is true here and in the United States. [end recording]

Panama

Comptroller Issues Statement on Criminal Charges

PA2803232192 Panama City EL SIGLO in Spanish 28 Mar 92 p 3

[Statement issued by Comptroller General Ruben Dario Carles; place and date not given]

[Text] The Honorable Deputy Milton Henriquez Sasso has presented to the attorney general of the Republic a rash and false criminal denunciation of me for alleged embezzlement, overstepping my authority, and other crimes in which I may have been involved. Henriquez is acting legislator and president of the Budget Commission of the Legislative Assembly, but without the required permission from that branch of government—the legal representative of which can only be the president of the Assembly, in accordance with the dispositions established in Article 15 of the Regulations of the Assembly, established through Law 49 of 1984.

I totally and absolutely deny the false and rash charges of the alleged crimes and hereby state that I am not guilty of embezzlement, that I have not overstepped my authority, and that there are no other crimes of which I can be accused.

1. With regard to the false accusation of embezzlement:

a) According to Chapter I of Book X of the Penal Code, a public official is guilty of embezzlement when he, for his own benefit, "appropriates money, valuables, goods, or other objects that his office may be responsible for administrating, receiving, or keeping...." The charge of embezzlement is fraudulent; it is outrageous that I am being accused of it, and I categorically deny having committed it.

b) Article 323 of the Penal Code establishes that "a public official who, in the performance of the duties of his office, takes advantage of the error of another person and unduly appropriates, receives, or retains money, valuables, goods, or other objects for his own benefit or the benefit of another person,...also commits criminal embezzlement. [quotation marks and ellipses as published]

I flatly deny having committed this or any other form of embezzlement in the performance of the duties of my office.

c) There is also negligent embezzlement that occurs when "a public official, by fault, allows the money, goods, or other objects that may have been given to his office or sent there for safekeeping to be lost or misplaced" or allows another person to take or misappropriate them. This is negligent embezzlement, and I also reject this false accusation by those who disparage me without impunity.

d) The Penal Code refers to other forms of embezzlement when, in Article 325, it states that "a public official who uses the money, valuables, goods, or other objects for which he is responsible because of his office for his own benefit or the benefit of another person, is guilty of embezzlement...." I vehemently state that it is totally and absolutely false as well as irresponsible to accuse me of such action.

e) I believe it is necessary to circumstantially evaluate the type of embezzlement specified in Article 326 of the Penal Code, which refers to "a public official who uses the funds or objects he administers for a public purpose in a manner other than that for which they were intended...." The reason for examining this tenet more closely is because there has been a false and malicious attempt by the Criminal Acts Commission to challenge the conduct of the Comptroller General of the Republic for having incorrectly allotted state funds that have a

particular use stated in the Budget Law, which is as false as all the foregoing accusations.

It is relatively easy to expose this falsehood because, according to Article 8 of Law 92 of November of 1974, the Comptroller General's Office is empowered to issue rulings on the concession and use of discount "codes" ["claves" de descuento] and to include provisions with regard to payment of the discount. The Comptroller General's Office has strictly complied with this law in this regard and thus has taken the appropriate measures to guarantee its legitimate fulfillment by other state entities.

Decree 275 of 26 December 1974, issued by the Comptroller General's Office, as authorized by Article 8 of Law 92 of November 1974, is part of the legal basis for the discounts. It is also pertinent to point out that, according to Article 16 of the decree mentioned, "the corporations favored with these discounts must forward to the Comptroller General's Office or the public institution handling the discounts the amounts established by the corresponding agency. Such amounts will serve to create a fund to pay the expenses incurred by this activity."

It is evident, therefore, that the funds to which my gratuitous detractor refers have not been assigned a specific use in the budget. Consequently, I am not guilty of embezzlement as defined in Article 326 of the Criminal Code.

In conclusion, I hereby flatly state that I have perpetrated no embezzlement and that, conversely, I have contributed toward making sure that public funds are put to the use assigned to them in the budget with great personal commitment.

To confirm the complete absence of crime, suffice it to mention Article 94 of Law 32 of 31 December 1991, through which the 1992 general budget was adopted. This article describes as a fault of public administration, as outlined under Title X of the Criminal Code, the actions of a public official who fails to use the so-called out-of-budget revenues—which, precisely because of this circumstance, are no longer of this nature—through the corresponding expenditures authorized in the same budget.

The legislator who accused me knows perfectly well that it is detailed in the new budget law where the handling of public funds outside budget authorizations becomes embezzlement. Yet, he wants this new figure in criminal law to be applied to me retroactively with regard to actions that took place prior to when the 1992 budget law in connection with the out-of-budget handling of funds collected through the discount system came into force. Prior to this law, embezzlement due to a change of fund destination could only occur with regard to the use of funds specifically authorized in the budget.

Evidently, the accusation conceals political and publicity motives. There is an intent to conceal with a juridical garment a problem that has roots and causes that are political. This is why the accusation appears to be contradictory, legally speaking.

For instance, in the same document accusing me, my detractor quotes Article 4 of Law 32 of 1984, according to which the Comptroller General and the Deputy Comptroller General cannot be suspended or removed except by the Supreme Court. In addition, according to Paragraph 20 of Article 101 of the Judicial Code, the exercise of this right corresponds to the Supreme Court's Fourth General Affairs Room.

This fact notwithstanding, on the same page on which he says this, this legislator requested that the Attorney General remove the Comptroller General, based on Article 2160 of the Judicial Code, although, according to the law, this is not one of the Attorney General's functions.

With regard to the purpose and contents of the accusation, his temerity compels me to quote Article 351 of the Criminal Code, which deals with illegal accusations. I am inviting Legislator Henriquez to shed his immunity and protection. If he does so, this immunity of his will not translate itself into comfortable impunity, which protects him even though he has violated the legal stipulation mentioned.

'Reaction Group' Formed To Counter Terrorism

PA3003145192 Panama City Radio KW Continente in Spanish 1220 GMT 30 Mar 92

[Report by Jenny Lee Martinez]

[Text] Menalco Solis, head of the Presidency's Public Security and National Defense Council, reported that a special group formed by members of the Technical Judicial Police [PTJ], National Police, and Institutional Protection Service will act when the president of the Republic so decides:

[Begin recording] [Solis] This group will act as a unit only when President Endara decides. As a group, they will be under the President's orders. Otherwise, they will continue in their usual positions as police. This group will operate in times of crisis, for instance, in rescue operations or against terrorist actions. This reaction group will he highly trained and specialized.

[Unidentified reporter] What is the status of security after the grievous death of a Japanese citizen?

[Solis] Through the Security and Defense Council, the president has asked the police director to present a plan to provide greater protection from terrorism to the community. We are expecting the police director to present this plan to the Council.

[Reporter] The 20 December Movement is rumored to be involved in terrorist actions. Some people, however, think the perpetrators of this crime are foreigners. What do you think?

[Solis] All we have is the theories that we are investigating, mainly at the PTJ. We cannot rule out any of these theories, however. As the investigation progresses, some of the theories naturally will be abandoned. At present, however, nothing is being disregarded.

[Reporter] Are there any clues to the identities of the kidnappers?

[Solis] For obvious reasons, such information cannot be revealed. The PTJ and the Public Ministry are conducting the investigation. [end recording]

Brazil

Entire Cabinet Resigns; Some Ministers Retained

PY3003164692 Rio de Janeiro Rede Globo Television in Portuguese 1633 GMT 30 Mar 92

[Text] President Fernando Collor's Cabinet has resigned en masse. The president has decided, however, that Ministers Marcilio Marques Moreira [Economy, Finance, and Planning], Adib Jatene [Health], Jose Goldemberg [Education], and the military ministers will remain in their positions.

Presidency Secretary General Marcos Coimbra will later grant a news conference through a radio-television hook up. Further news will be broadcast at any moment and through Jornal Nacional.

Spokesman Confirms Report

PY3003172092 Rio de Janeiro Rede Globo Television in Portuguese 1658 GMT 30 Mar GMT

[Text] Here is a follow-up report on the en-masse resignation tendered by President Collor's Cabinet. Presidency Secretary General Marcos Coimbra has just confirmed the names of the ministers whom President Collor has retained. The military ministers and the following ministers will remain in their posts:

[Begin Coimbra recording] General Carlos Tinoco will continue as Army minister; Marcio Marques Moreira as economy, finance, and planning minister; Jose Goldemberg as education minister; Gen. Socrates da Costa Monteiro as aeronautics minister; Adib Jatene as health minister; and Gen. Antonio da Rocha Veneu as chief of the Armed Forces General Staff. Other reports will be released to the press at the appropriate time. Thank you. [end recording]

Official Denies Resignations Linked to Corruption

PY3003233692 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 30 Mar 92

[Excerpts] The ministers of government today tendered their resignations to President Fernando Collor. The mass resignation was announced early this afternoon by Presidential Secretary General Marcos Coimbra. He read a 16-line letter addressed to President Collor in which the ministers, presidential cabinet members, and Presidency secretaries placed their posts at the president's disposal. [passage omitted]

Economy Minister Marcilio Marques Moreira voiced assurances that the mass resignation has nothing to do with recent denunciations of corruption within the government.

[Begin recording] [Marques Moreira] It was a collective decision by the ministerial cabinet and the secretariat to give full freedom to the president to reorganize his team and prepare his government for a new stage in the remaining two years of his administration.

[Unidentified reporter] Does this have anthing to do with corruption charges?

[Marques Moreira] No. This is a decision to give full freedom to the president to give his government a new image. [end recording]

Foreign Minister Francisco Rezek will return to Brazil early because of the ministerial reshuffle. He is in New York participating in the last preparatory meeting of the Rio-92 [UN Conference on Environment and Development] conference.

Rezek will return to Brazil tonight. This information was given over the telephone by Foreign Ministry Spokesman Luiz Fernando Benedini, who is accompanying the foreign minister in New York. Rezek was participating in the last preparatory meeting of the Rio-92 Conference at the United Nations. He was to return on 1 April.

According to Benedini, Rezek received a telephone call this morning during which he was consulted on the mass resignation. Benedini added that Rezek supported the idea immediately. By 1400 today, Rezek spoke on the telephone with President Collor and acting Foreign Minister Marcos Azambuja. Benedini added that Rezek will meet with Collor tomorrow immediately upon arriving in Brazil.

The broad ministerial reform was conceived by Justice Minister Jarbas Passarinho. This afternoon he confirmed that he is leaving the government.

The decision was adopted at the meeting President Collor held this morning at Planalto Palace with the justice minister, Military Household Chief Agenor Homem de Carvalho, and Secretary General Marcos Coimbra. After the meeting, Passarinho, the secretary general, and the military household chief issued the letter of mass resignation and tendered it to President Collor. Passarinho made a point of saying that he is leaving the government with his hands clean. [passage omitted]

Maranhao, Sao Paulo Governors Support Collor

PY3103005292 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 30 Mar 92

[Text] Maranhao Governor Edson Lobao stated today in Brasilia that his party, the Liberal Front Party [PFL], will give all necessary support to President Fernando Collor in the ministerial reform. He made this statement after meeting with Social Action Minister Ricardo Fiuza.

Fiuza told the governor that the changes taking place within the government follow the reform that began with the designation of Minister [Secretary of Government Jorge] Bornhausen, [Labor] Minister [Reinhold] Stephanes, and himself. Governor Lobao said the PFL supports President Collor in the ministerial reshuffle:

[Begin recording] This is not a matter of obtaining position or prestige for the PFL. With this new image,

with new names, names that must be in keeping with the current national requirements, regardless of their origin, the PFL is expressing solidarity with the government. The PFL is the ruling party and has some ministers within the government, and, of course, it would be happy if other names in the party could be called to serve the nation. [end recording]

Governor Lobao added that no political transactions are being carried out to have PFL men fill some of the vacant posts in the government.

Sao Paulo Governor Antonio Fleury Filho, who arrived in Brasilia for a meeting with President Fernando Collor, said he also supports the ministerial reform.

The Sao Paulo governor positivly evaluated the ministerial reshuffle. He said that for him there is no institutional crisis in the country:

[Begin recording] I think it is important for the country to make changes, provided that these changes are improvements. I hope the president will have the necessary conditions and the inspiration to choose ministers who will be competent and reliable and who will indeed serve the country. That does not mean that those who are leaving the government have not been serving the country. But the idea is to improve the cabinet with those who are more competent than those who are leaving. [end recording]

The Sao Paulo governor was called for a meeting with the president this morning. He was called by former Senator Jorge Bornhausen, designated to be the government secretary.

Rio Governor Says Relations 'Will Not Change'

PY3103011092 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 30 Mar 92

[Text] Rio de Janeiro Governor Leonel Brizola has said that his relations with the Collor government will not change with the mass resignation of the ministers.

Brizola feels that the mass resignation of ministers and secretaries is a fact that must be faced calmly because it happens in all democratic regimes. Expressing surprise about the news of the mass resignation, the Rio de Janeiro governor, who is in Montevideo, stated in an official note distributed by his advisers that the Rio de Janeiro Government position in relation to the federal government remains essentially unchanged; that is, not denying cooperation to President Collor concerning matters of public interest, but without any participation in the government.

Brizola defended the emergence of a minimum program around which a national will could be built, because he feels that it would be essentially political in the current situation. He said that before personnel reorganizations, what is really necessary is a program based on measures and ideas.

Justice Minister, Science Secretary Named

PY3103120092 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 31 Mar 92

[Text] When President Fernando Collor left Planalto Palace at 2320 last night, he had already designated two new assistants: the new justice minister and the new secretary of science and technology.

Collor had a very busy day yesterday.

He met with the governors of Sao Paulo, Ceara, the Federal District, Maranhao, Pernambuco, Sergipe, Rio Grande do Norte, Santa Catarina, and Minas Gerais.

Minas Gerais Governor Helio Garcia said that Collor met with the governors not to debate names of future ministers and secretaries but to report the cabinet's resignation. Garcia said that the president should have the freedom to choose his new team.

At 2100, Presidential Press Secretary Pedro Rodrigues reported that political scientist Helio Jaguaribe had been designated secretary of science and technology. He replaces Professor Edson Machado. Jaguaribe, who lives in Rio de Janeiro, is one of the main coordinators of the Brazilian Social Democratic Party. He will be installed on 3 April.

At 2230, the press secretary reported that jurist Celio Borja was designated justice minister, replacing former Minister Jarbas Passarinho. Borja currently is president of the Superior Electoral Tribunal. He will be installed at Planalto Palace at 1500 on 2 April.

Collor also met with Economy Minister Marcilio Marques Moreira last night. Collor is now having breakfast with a group of journalists at Alvorada Palace.

Passarinho Admits Investigating Police Director

PY3003235292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Mar 92 p 4

[Text] Yesterday in Brasilia Justice Minister Jarbas Passarinho admitted having asked Army Minister Carlos Tinoco to assist him in investigating charges involving Federal Police Director General Romeu Tuma in coffee smuggling in Foz de Iguacu. However, he denied using the Army Intelligence Center (Ciex). Passarinho, who asserted that he did not know who was appointed to carry out the investigation, said: "I only asked my friend General Tinoco to appoint someone he trusted to investigate the charges because I could not ask the Federal Police to do the job."

Passarinho said he did not inform President Fernando Collor about his initiative because charges also involving the former Foz de Iguacu Federal Police director, Wilson Perpetuo, already had been placed before the courts. Passarinho said that "since the case had already been

brought before the court, I had no need to take any administrative steps. Therefore, there was no reason to inform the president."

During the course of the investigations, Tuma was subordinate to the Justice Ministry in his capacity as Federal Police director general. Since he was also secretary general of the Federal Revenue—a post he held until 14 May 1991—he was also subordinate to former Economy Minister Zelia Cardoso de Mello, who said yesterday in Rio de Janeiro that the charges against Tuma are serious. She asserted that while she was economy minister she was never informed that her subordinate was under suspicion. Zelia Cardoso also said that she did not learn about any investigation involving the Ciex, the Justice Ministry, and Romeu Tuma. Visibly surprised by the suspicions involving her former subordinate, she commented: "If I had had any information about irregularities, I would have ordered an investigation."

Passarinho disclosed that in February 1991 he received an anonymous denunciation against Tuma and Perpetuo—who is now Alagoas Public Security secretary. Tuma had been conniving with Perpetuo, charged with cooperating in coffee smuggling when he was working in Uruguaiana, Rio Grande do Sul.

Passarinho explained that the investigation carried out by someone in whom Tinoco trusted cleared Tuma "but left some doubts about Perpetuo." Last week, during an interview with ESTADO, Passarinho said that usually he does not pay attention to anonymous denunciations he receives. Yesterday, however, he justified his change of attitude by saying that this was a "special" case because, before sending a letter, the person responsible phoned, telling him it "contained a great amount of details."

The four-page letter gave a detailed account of the performance of federal agents and Perpetuo in the smuggling of coffee and contained "evidence" to show that Tuma was concealing the operations. Passarinho said: "I had to order an investigation because it contained serious charges."

According to Passarinho, the denunciation was endorsed by a phone call to Judge Edgar Lippmann, who made the first charges against Perpetuo. Lippmann told him he had taken all the necessary measures to carry out the investigation. Passarinho said: "He told me he had been in contact with the attorney general of the Republic, Aristides Junqueira, who knew nothing about the charges."

Passarinho then said that in view of this situation, he did not hesitate to resort to Gen. Tinoco. He protested: "What did you want me to do? Nothing?" Passarinho asserted that the person appointed by Tinoco in Parana checked all the information contained in the letter and got in touch with Judge Lippmann. The investigation results were submitted to the minister in a superficial two-page report labeled "confidential." Passarinho said: "I was sure Tuma was not mixed up in anything of the sort."

Passarinho Denies Investigation

PY3103123892 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 31 Mar 92

[Text] Justice Minister Jarbas Passarinho has denied press reports that he asked the Army to investigate into Federal Police Director General Romeu Tuma. In an official note released on 30 March, the minister assured that the reports are inaccurate. In a press conference he said that at no time did he use the Army to investigate Romeu Tuma.

Chile

Aylwin, Commanders Discuss Organic Law Amendment

PY3103031492 Santiago Radio Cooperativa Network in Spanish 2300 GMT 30 Mar 92

[Text] The draft bill amending the Armed and Security Forces Organic Law, the cases of espionage, the tasks of the intelligence services, and the congressional commission in charge of investigating cases of political espionage were the issues raised during a working luncheon held by President Patricio Aylwin and top leaders of the Security and Armed Forces.

Army Commander General Augusto Pinochet, who is abroad, did not attend the meeting.

According to Defense Minister Patricio Rojas, the draft bill amending the Armed and Security Forces Organic Law intends to recover the presidential prerogative to approve the promotion and retirement of high-ranking officials of the Carabineros and Armed Forces.

[Begin Rojas recording] We believe that the provision in Articles No. 7 and No. 53 of the Armed Forces' Organic Law should be replaced by provisions contained in the Constitution itself, which states that these appointments, promotions, and retirements will be made through supreme decrees issued by the president of the Republic in which he will expressly state that he has taken into account the suggestions of the corresponding commander in chief. [end recording]

Regarding the position adopted by the high-ranking officers during the meeting, Rojas said:

[Begin recording] They have received all the necessary information, including a report on the issue and newspaper clippings on the positions publicly upheld in January 1990. They will assess this information, regardless of the fact that the defense minister has already informed each commander, including Gen. Pinochet, about the contents of the draft bill submitted to Congress. This proposal will be treated routinely, without any urgency. We do not expect it to become a matter of discussion during an electoral phase such as the one we

are now facing, but rather that it be discussed with all the necessary calmness because it refers to the restoration of constitutional powers that we believe should be clearly and fully returned to the president of the Republic. [end recording]

Rojas also referred to the need to end disagreements and friction between the various intelligence services and the need to cooperate with the police in order to confront true threats such as terrorism, delinquency, and drug trafficking.

The Armed Forces commanders in chief and the Carabineros deputy director were informed of how the Chamber of Deputies' special commission in charge of investigating cases of espionage operates. It was noted that by no means will it refer to intelligence matters related to the country's external security.

Regarding the intelligence organizations themselves, the need to review the laws that regulate their activities was pointed out.

Rojas said that there is a new task, a new joint intelligence doctrine being implemented by the defense chief of staff together with the chiefs of staffs and intelligence services of all Armed Forces branches.

The commanders in chief refused to make any comments at the end of the luncheon with President Aylwin at La Moneda Palace, which was held to discuss current issues and some legislative subjects.

At the end of the two-hour meeting, Navy Commander Admiral Jorge Martinez said:

[Begin recording] You will have to excuse me, but I am not going to make any comments. You are very kind, thank you. [end recording]

Air Force Commander General Ramon Vega, in turn, took a bit more time but also made only a brief comment.

[Begin recording] [Vega] As usual, it was a very cordial meeting during which we coordinated various institutional activities. I am obviously not the appropriate person to make an official comment on the issue; this is the defense minister's job.

[Unidentified reporter] Did you discuss the text of the draft bill amending the Armed Forces Organic Law?

[Vega] Yes, we discussed all those issues. Thank you. [end recording]

General Gabriel Ormeno, Carabineros deputy director, and General Jorge Lucar, Army deputy commander, also attended the luncheon but did not make any comments.

Reporting on Pinochet Called 'Routine'

PY2803033492 Santiago Radio Cooperativa Network in Spanish 2300 GMT 27 Mar 92

[Text] Acting Investigative Police Director Nelson Mery said that, in effect, Officer Juan Arias reported the times of arrival and departure from Helmue of General Augusto Pinochet, Army commander in chief. Mery made the statement at La Moneda Palace when asked about press reports that indicted Officer Arias had spied on Pinochet.

Nelson Mery said that such reporting is routine when an authority arrives anywhere in the national territory.

[Begin Mery recording] The information says that the Army commander in chief visited Limache—specifically, Helmue—on 15 December. In fact, Officer Arias—performing his duty of gathering intelligence information—reported to the Intelligence Service about the situation that the [words indistinct] arrived at Holmue on 15 December and included the hour of arrival. He also reported when the general left the jurisdiction. The Investigative Police always gather information on the arrival and departure of different government authorities, dignitaries, and important officials. [end recording]

We have to say that, in this specific case, Officer Juan Arias reported the information on the 15th, while the resolution that prompted the investigation into alleged espionage is dated the 17th, Nelson Mery said. The acting director said that, as a consequence and following the aforementioned resolution, Officer Arias did not deliver the information on the Army commander in chief to the institution [as heard].

Navy Chief's Remarks Said To Confirm Espionage

PY2903013292 Santiago Radio Chilena Network in Spanish 1700 GMT 28 Mar 92

[Text] Independent Democratic Union [UDI] Secretary General Jaoquin Lavin has said that remarks by Admiral Jorge Martinez Busch, the Navy commander in chief, reporting that he has been followed [as heard] reflect a very serious situation. He added that this means members of institutions that are run by a single ministry follow each other, such as the Investigative Police and the Armed Forces. The Navy commander's statement, along with other information that has been gathered, confirms the UDI charge that there is espionage in Chile and that this activity is described in Investigative Police documents, Lavin noted.

He added that Adm. Martinez' statement has raised serious questions, such as who was following him and why was he being followed. He noted that this shows that at least two commanders, the Navy and the Army commanders in chief, possibly are being followed. This situation is extremely serious and the defense minister apparently does not know much about it, Lavin said.

The UDI secretary general reiterated that the Navy commander's remarks confirm his party's charge that there is political espionage in Chile and that it affects not only political leaders but also military commanders and church, labor, and business leaders. Those are the contents of the Investigative Police document that was reported by the UDI, Lavin said.

Concerning the indictment of Prefect [title as heard] Arias, Lavin said it is a judicial proceeding that should continue, and that lawyer Uribe Echeverria has been asked to defend Arias.

The lawyer has taken charge, and this is being done simply because we believe the government has tried to divert people's attention from the main issue, trying to convince the nation that not political espionage, but rather the leaking of the document, is the actual problem Lavin said.

Lavin concluded by saying that with his stance, Juan Arias did democracy a favor because he made this public, thus allowing the termination of political police activities and thereby avoiding major problems.

Numerous Bombings Reported in Country

Attacks in Santiago, La Serena

PY2703141892 Santiago Radio Chilena Network in Spanish 1100 GMT 27 Mar 92

[Summary] Three bomb attacks were made on the evening of 26 March, two in Santiago and the third in La Serena. At approximately 2220 [0220 GMT], the court building in downtown Santiago was bombed. A door was destroyed but no victims were reported. At almost the same time, another bomb was detonated at the main door of the Appellate Court building in La Serena. The building's second and third floors were damaged. Another bomb was detonated in a Mormon church in San Miguel in Santiago.

Bombing in Vina del Mar

PY3003022892 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 30 Mar 92

[Text] An explosive device went off at the Vina del Mar Casino, causing panic among the people there. A new group claimed responsibility for the subversive act.

There was a violent explosion at 2230 [0230 GMT] last night outside the Vina del Mar Casino nightclub. Carabineros later established that the explosion was caused by a device containing 400 grams of ammonium nitrate fuel oil blasting agent, which damaged about 40 windows. In view of the hour and the day of the week, the nightclub was filled with people.

[Begin unidentified eyewitness recording] There was great panic when the explosion occurred. Later, everything returned to normal. [end recording]

Pamphlets claiming that the attack was perpetrated by the so-called People's Fatherland Movement [Movimiento Patria Popular] were found at the site. The People's Fatherland Movement comprises the Lautaro Group, the Manuel Rodriguez Patriotic Front, and the Movement of the Revolutionary Left.

In addition, two bomb attacks occurred in Santiago last night. One was against the La Florida Town Hall Social Department offices, which experienced only minor damage. Carabineros have established that the bomb contained 400 grams of ammonium nitrate fuel oil blasting agent. There was another bomb explosion at the Citibank branch in the Faro de Apoquindo area.

Offices, Police Station Hit

PY3003213492 Santiago Radio Chilena Network in Spanish 1100 GMT 30 Mar 92

[Text] Santiago had a violent night last night when bombs went off in various parts of the capital during attacks allegedly conducted by a new organization called the People's Fatherland Subversive Coordinating Board.

Bombs went off at the Christian Democratic Party office on Fanor Velasco Street and at the National Youth Institute office on the same downtown street. A group of unidentified people machine-gunned the Investigative Police station in Maipu District. No deaths have been reported.

Here is a report by Juan Manuel Ramirez from our mobile unit:

[Begin Ramirez recording] There were barricades and bomb explosions in Santiago last night. The People's Fatherland Subversive Coordinating Board has claimed responsibility for the attacks.

Tires were burned and barricades erected at Villa Francia, where an unidentified man was shot in the chest. Last night's first bomb went off at the Villa Francia boundary with Villa Kennedy.

Other bombs then went off at the Christian Democratic Party office and at the National Youth Institute office, both on Fanor Velasco Street. Another bomb went off near a lamp post at the corner of La Feria and Enrique Mate Avenues. As a result, part of San Joaquin District was left in the dark.

The Independent Democratic Union office on Independence Avenue and the National Renewal Party office on Lieutenant (Jaguar) Street had their facades seriously damaged by bomb explosions.

The Seventh Precinct of the Investigative Police on Ramon Freire Street, Maipu District, was machine-gunned by a group of people in a car. The group escaped after riddling the police station's walls and windows with bullets. [end recording]

Government Investigating Attacks

PY3003215892 Santiago Radio Chilena Network in Spanish 1700 GMT 30 Mar 92

[Excerpt] Government Secretary General Enrique Correa has reported that the government is investigating the existence of a new terrorist group that acts as a coordinator for several other groups. The group has claimed responsibility for a series of bomb attacks in Santiago.

Secretary Correa has denied press rumors that the Army allegedly has canceled all leave and ordered confinement to barracks on 25 March and that the cabinet met to discuss the matter. [passage omitted]

Colombia

Rebels Demand Resumption of Peace Negotiations

PA3103030292 Hamburg DPA in Spanish 2033 GMT 30 Mar 92

[Text] Mexico City, 30 Mar (DPA)— The Simon Bolivar National Guerrilla Coordinating Board [CNGSB] demanded on 30 March in Mexico City the immediate resumption of the peace negotiations in Colombia, interrupted unilaterally by the Cesar Gaviria Trujillo government on 21 March.

At a news conference, delegates to the negotiating commission also hinted the talks agenda may be changed, following consultations with the rebel fronts of the three groups that form the CNGSB.

The government suspended the negotiations, which began in Tlaxcala on 10 March, in the wake of the death in captivity of former Minister Argelino Duran Quintero, who was held by a commando unit of the Popular Liberation Army (EPL).

The Gaviria administration made continuation of the talks contingent on a prior discussion of a cease-fire.

Rebel Commander Alfonso Cano, Antonio Garcia, Ivan Marquez, and Diego Ruiz regretted the Colombian Government had used Duran Quintero's "unfortunate" death to order a unilateral break in the negotiations.

They said the CNGSB never used incidents such as the "forced disappearance" of its top leader, Daniel Garcia, to pressure or make new proposals at the negotiations.

They added that while the Gaviria government is listing conditions for the dialogue and demanding unilateral gestures from the guerrillas, the Colombian Army "is continuing its arms buildup," and "increasing its numbers, maintaining the war tax, and conducting intensive military operations on land and in the air."

After recalling that negotiators from both sides had agreed on an agenda in Caracas and that five topics were given priority at the start of the Tlaxcala meeting, they reiterated the need to keep the commitments made.

"We must," they stressed, "give continuity to the pact, without trying to change the mutually accepted rules of the game, let alone introduce conditions."

Commenting on the government's demand to give priority to the cease-fire, they recalled that the topic has already been discussed without results in the first two rounds of negotiations in Caracas. For that reason, they decided in Tlaxcala to analyze first the causes that gave rise to the armed conflict.

They suggested the possibility of changing the order of the agenda, which includes socioeconomic topics, political and institutional reform, and human rights—following a consultation with the rebel fronts.

In reiterating the guerrilla's "unyielding commitment to peace," the rebel commanders said the experience of the armed struggle in Colombia has taught them that "as long as the causes that gave rise to it remain, it will not be possible to eradicate the guerrillas through military means."

Statistics Disclose 456 Held by Kidnappers

PA3003032192 Santa Fe de Bogota EL TIEMPO in Spanish 26 Mar 92 pp 1A, 9A

[Text] When peace talks are resumed in Tlaxcala (Mexico), the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] will have to account for 456 persons it is holding.

That information is contained in a draft document based on statistics compiled by the police, the Administrative Department of Statistics [DAS], and the Army.

In the first 85 days of 1992, the CNGSB kidnapped 59 persons.

As part of a strategy that will lead to their release within the framework of the peace talks at Tlaxcala, the government is preparing a report on the people that have been kidnapped by the CNGSB.

An initial document based on the files of the Army, the DAS, and the police points out that 456 Colombians are in the hands of the rebel columns of the Revolutionary Armed Forces of Colombia (FARC), the Army of National Liberation (ELN), and the dissident faction of the Popular Liberation Army (EPL).

The statistics gathered by the Defense Ministry also show that 59 persons have been kidnapped during the first 85 days of 1992.

Those kidnapped include one Lebanese, one Japanese engineer, two Netherlanders, one U.S. citizen, and one Argentine.

The security forces also report that this year the dissident wing of the EPL kidnapped five members of the Hope, Peace, and Liberty Movement, the political arm of the demoblized EPL.

Intelligence reports point out that the same group is probably responsible for the kidnapping of the late former Minister Argelino Duran Quintero and of liberal political leader Norberto Morales Ballesteros.

The statistics indicate that the guerrillas carry out most of their kidnappings in the departments of Santander, Norte de Santander, Caqueta, Cesar, Cauca, Magdalena, Caldas, Huila, Antioquia, Valle, Putumayo, Arauca, Tolima, and Choco.

The statistics gathered by the Ministry of Defense point out that from 1989 to 1992, FARC kidnapped 228 persons, the ELN 161, the EPL 77, and the CNGSB 22 [all figures as received]

The information available to the government reveals that these persons have not been returned home and are being held by the guerrillas.

The statistics also disclose that in 1991 alone, 1,526 persons were kidnapped by the guerrillas and common criminals.

The statistics sent to the Defense Ministry for preparing this document are based on cases reported to the authorities by the relatives of the victims.

Finance Minister Defends Tax Reforms

PA3003213292 Santa Fe de Bogota EL TIEMPO in Spanish 27 Mar 92 p 5a

[Article by Rudolf Hommes, finance and public credit minister]

[Text] Macroeconomic conditions expected for 1992 require careful handling and coordination of economic policies to attain the targeted inflation rates and private investment levels. Because of the considerable surplus in the balance of payment account and prevailing uncertainty of international coffee and oil prices this year, it is necessary to agree with the Banco de la Republica and plan for a fiscal surplus. This entails approval of the government's proposed tax reforms or a radical cut in public spending.

In practice, however, the funds from this second option would be insufficient to offset the imbalance unless the government is willing to lay off many workers or halt social spending and infrastructure investment. Faced with the socioeconomic impact that a cut in spending—in the amounts required—would have, the government has opted to increase income from taxes. The government takes into account that if the adjustment is made on working expenses, unemployment will rise considerably. Also, reduced investment means postponing the development plan to modernize the economy's basic infrastructure or postponing spending in health and education, which are key factors for medium-range growth strategies. These investments cannot be postponed, not only because of their social content, but also because they complement private investment and are indispensable to economic development. The government, therefore, has very little room to maneuver in this field.

Another option would be domestic or foreign loans as sources of financing. Nevertheless, to increase public debt by the amount required would have a terrible effect on inflation, private investment, and growth. In the event foreign loans are chosen as a financing alternative, the country's balance of payment capital account would register a nonprojected increase of between $700 million and $800 million. This would imply an increase in foreign reserves, higher than projected by exactly the same amount. This additional foreign income would have undesirable effects on two variables: the exchange rate and the amount of money in the economy. Excess foreign exchange in the capital account would exacerbate the already projected accumulation accrued from the balance of payment account surplus. Excess foreign currency would exert pressure to lower the exchange rate, as is the case in all markets.

The other key variable that would be affected by unscheduled borrowing would be the amount of money in circulation. If the Banco de la Republica wants to avoid a drastic drop in the U.S. dollar exchange rate, it should intervene in the market and buy all the dollars offered for sale at the price the bank wants to maintain. This intervention entails issuing pesos to buy dollars. The expansion of the monetary base, an expansion brought about by the purchase of reserves for $800 million, would mean that at the end of 1992 the annual monetary growth rate would be 56 percent instead of the currently planned 26 to 28 percent. With constant production, this doubling of the monetary growth rate would translate into a much higher inflation. As an alternative, financial authorities could freeze the monetary base excess, raising interest rates and limiting private investment. In view of the not-too-promising results expected from foreign indebtedness, the government could get internal financing. The effects of this option, however, are not very different from those already described.

Under the new institutional policy for handling monetary matters, the government's financing itself through the issuance of securities has been virtually eliminated. The remote possibility of borrowing from the issuing entity would involve an expansion of the monetary base, with the effect that we have already commented on.

The government's indebtedness with the rest of the financial system or individuals for an unanticipated amount of 500 billion pesos will necessarily result in rising interest rates. It has been estimated that a greater indebtedness by the government for the amount mentioned would raise passive interest rates to between 48 and 50 percent annually. An increase in interest rates would have several effects, including that of discouraging investment. Also, the marked increase in yield from public debt securities could provoke revenue in the form of speculative capital, increasing reserves. This

would increase the amount of money in circulation or the indebtedness of the monetary authorities in the market to neutralize this expansion. This indebtedness entails greater fiscal expenditures and higher interest rates, creating a vicious circle to the detriment of private investment.

High interest rates have recessive effects for many reasons. In the first place, these rates discourage spending by the private sector, thereby shrinking the aggregated demand. Also, if these rates are raised at this stage in the opening, a move that requires significant investment increases, the process would become more costly for Colombian industrialists by reducing their spending capacity and harming the competitiveness of their production.

Clearly, the tax reforms the government proposed to Congress not only would avert the danger of recession, as opposed to other alternatives, but also are the healthiest alternative from the price control viewpoint. It has been estimated that the direct impact of tax reform on the inflation rate will not exceed 1.5 to 2 percent in the first year, and that will occur only once. Not accepting the proposal, with the existing fiscal and structural restrictions, would involve—in addition to the predictable inflation increase this year—returning to permanent inflation levels of between 30 to 35 percent annually, with a tendency to increase.

I wish to conclude these remarks by reminding the public that inflation is the most regressive tax; it strikes the poor, old, retired, and dispossessed the hardest. The tax reform the government proposes to the country is a tool to make the investment Colombia requires in the social and infrastructure fields but without causing inflation or unemployment. For this very reason, it could hardly be described as a regressive reform.

National Police Linked to Massacre in Cucuta

PA2903145592 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 29 Mar 92

[Text] Investigations have linked 14 members of the National Police to the massacre of 17 persons during events that took place in Norte de Santander Department in December 1991.

Official reports indicate 14 members of the National Police were involved in the incident that took place in a rural area between Cucuta and the border with Venezuela. The bodies of the 17 persons were found in various open graves in Lomitas, Cucuta.

Authorities have determined that National Police agents killed a lawyer, her driver and two body guards, and subsequently killed two youths who possibly found out about the crime. The police are also being accused of killing several tourists.

No Casualties Reported From Bombs in Cali

PA3003141992 Mexico City NOTIMEX in Spanish 0412 GMT 30 Mar 92

[Text] Cali, 29 Mar (NOTIMEX)—On 29 March, one bomb exploded at the entrance to the Anglo-Colombian Bank in this city in southwest Colombia. There were no casualties, but the explosion caused considerable damage to buildings, the police reported. Cali is the capital of Valle Department.

According to sources, the medium-power bomb was left at the entrance to the bank, located on Sixth North Avenue, by two men who then fled.

The police cordoned off the site of the explosion to prevent looting because the bank and nearby stores were severely damaged.

In Tulua, in the same department, the police discovered and defused a car bomb containing 50 kg of explosives concealed in a dinner service.

The authorities have not yet determined the target of the explosives or whom they belonged to, according to the press agency AFP.

New Paramilitary Group Appears in Cauca

PA2803032492 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 27 Mar 92

[Text] Police authorities are very concerned because a new paramilitary group, called Stop [alto], has appeared in Cauca. The police found the group's propaganda leaflets at the Hacienda Arado, Santander de Quilichao municipality. The authorities also found weapons that were used to kill 21 Indians in Caloto on 16 December. General Jose Dario Rodriguez Zapata, Santiago de Cali Metropolitan Police commander, stated that the leaflets noted the new Stop movement had established action groups to operate in conflict areas, such as the (Hacienda El Nilo). The paramilitary group's leaflets also indicated they have tried to convince the invaders to change their ways; if they refused, Stop would act without considering the consequences.

Paraguay

Defense Minister Rejects U.S. General's Comments

PY2803143692 Asuncion HOY in Spanish 28 Mar 92 p 11

[Text] The defense minister, retired General Angel Souto Hernandez, on 27 March rejected the statement that our country is one of the main producers of marijuana, and, on another matter, said that he had no knowledge of the replacement of several ministers.

In giving his opinion on the information provided by Gen. George Joulwan, commander of the U.S. Southern Command, Souto stated that the production of some

marijuana plantations in the country "is very insignificant," and he stated that Paraguay is more a transit country for drugs.

The defense minister attributed the remark by the U.S. military officer, who had stressed that our country was one of the main producers of marijuana, to "wrong information."

Souto said: "We had an interview and the topic was not touched in any way or form. On the contrary, Paraguay was a country that had more or less had its sovereignty invaded by planes that passed overhead, generally headed for other countries. That was practically all the activity in Paraguay."

He added that even Gen. Marcial Samaniego (head of the Senad [National Antidrug Secretariat]) made it clear that the number of marijuana plantations and all found in the Alto Parana area were so insignificant that they could not even be counted. This is the reason "I also find the information regarding this matter that was published in the newspapers very strange."

He emphasized that our country is not "even remotely important in this matter. In this matter we are not even a cipher."

Regarding his leaving his post and the rumors about changes in the cabinet, Souto said that he was surprised. "I do not say that it is false (the rumor), because I have no knowledge. I heard about it on arriving here through some jokes that were being made on the basis of radio information."

He added that "every 14 May, every 15 August, and every end of the year we are exposed to these rumors; but there is nothing to them."

Army Commander on Criticism, Drug Trafficking

PY2703175292 Asuncion ABC COLOR in Spanish 27 Mar 92 p 11

[Text] Army Commander-in-Chief General Humberto Garcete stated on 26 March that the Armed Forces are willing to accept objective criticism because they understand that it is the best channel for correcting errors. "At all costs we have to preserve freedom of expression," he said, and he urged that mistakes at all levels be made known and that achievements also be acknowledged. "We are concerned about drug trafficking," he said, and then stated that the Armed Forces have decided to fight this scourge. He confirmed the Armed Forces' support for President Andres Rodriguez. "We want him to govern calmly and in peace," he stressed.

Garcete stated that the Armed Forces have promised to occupy "the place and the role that belongs to them in order to provide security and tranquility, and to guarantee complete democracy and freedom of expression." These remarks were made by Garcete after meeting with Gen. George A. Joulwan, commander of the U.S. Southern Command, at the headquarters of Army I Corps.

"I believe that freedom of expression is one of the natural assets that the individual has and, thanks to this asset, the individual can express everything that he feels without lacking respect for or discrediting anyone; he also can express his complaints when things go wrong and his acknowledgement when things go well. We admit criticism in the Armed Forces and that is healthy," he said.

"We are concerned about drug trafficking and we want everyone to cooperate in eradicating it from our country," he said, and, addressing Gen. Joulwan, he said: "You can be certain that the Armed Forces of Paraguay and its people are interested in and desire the eradication of drug trafficking from our country," adding that "Paraguay does not consider itself a channel for the transport or a channel for the production of drugs. You can be sure that, with what little we have, we are going to fight this scourge with integrity and firmness."

"Joulwan's visit is a great responsibility for the Armed Forces, which are committed to guaranteeing this democracy that is being experienced by our country and seeing that it has a happy ending by helping our commander in chief to govern calmly and in peace," Garcete added.

Presidential Candidate Laino Interviewed

PY2703145092 Asuncion NOTICIAS in Spanish 15 Mar 92 pp 8, 9

[Interview with Domingo Laino, first vice president of the Authentic Radical Liberal Party, PLRA, by Cristian Nielsen and Cristhian Torres; place and date not given]

[Text] [NOTICIAS] Businessmen, union leaders, the Armed Forces, the church, and, well, all sectors are awaiting concrete action from you in the role of president. How do you expect to reconcile interests that are apparently so opposed?

[Laino] In the first place, I believe that it is worthwhile to speak about the Armed Forces. [Former Uruguayan President Julio Maria] Sanguinetti told us some time ago: "The transition can be carried out with or without the military, but never against the military." I want to add something to that: that the military must understand that a transition cannot be carried out without political parties, without associations, unions, or social forces. There is a reciprocal interest that must be taken into account. It is very important to clarify this at a time when some Armed Forces commanders are making statements at times with the ambiguous intention of continuing to identify the Armed Forces with a political party. We believe that the Armed Forces' political role is out of context if there is the sincere intention of implementing this democratic undertaking in the country.

[NOTICIAS] Can't this be taken as an antimilitarist position?

[Laino] In no way. The Armed Forces are virtually a universal institution, and in our country they are deeply rooted in their tradition and history. Our glorious past in the 1870 war [against Argentina, Brazil, and Uruguay] and the Chaco War [against Bolivia in 1932] is a demonstration of the interrelationship between our people and its Army. The fact that nearly all the economically active population disappeared at Cerro Cora after the great war [1870] is proof of this. That was an epic in which the Armed Forces represented the nation's sovereignty with dignity.

[NOTICIAS] Do they represent it up to the present time?

[Laino] It could be said that up to the Chaco War, yes. There was a strong institutionalization during the liberal governments.

But the regime that was deposed in 1989 [Alfredo Stroessner] manhandled the Armed Forces; they were committed to a totalitarian concept of the government; thus their course differed from a strictly institutional one.

[NOTICIAS] Was that course corrected after 1989?

[Laino] Interesting voices within the institution talk about divorce from the party. But there are also certain levels that wish to continue with the interference in the internal decisions of the Colorado Party. Therefore, there is a contradiction between what is said and reality.

[NOTICIAS] Would Laino, as president, accept a delegation of the post of Armed Forces commander in chief?

[Laino] At this time in the transition it is very difficult to make a definitive statement. Flexibility is always a law within every transition process. I personally would like the president to have effective control of the Armed Forces; if not, there would be the risk of creating power factions that would be politically unmanageable and the consolidation of democracy would be in danger.

[NOTICIAS] What is your opinion of the post of supreme commander that is being suggested by General Andres Rodriguez?

[Laino] It is a reasonable proposal that must be analyzed to see whether it fits into the projects that are being handled by the political parties in the National Constituent Assembly.

[NOTICIAS] Let us speak about privatization. The Colorado Party pondered the issue and then suggested a cautious approach to prevent the process from hurting the party in upcoming elections. What are your and your party's criteria on the issue?

[Laino] It is imperative to seek efficiency in public companies. Traditionally, our state apparatus is inefficient and a heavy burden for the nation because of the criteria of political patronage currently in effect. There are people who have been collecting state checks for a very long time. These checks can even be inherited. The term "ghost worker" was coined to describe this situation. We have to get the state to fulfill its real functions, that is, to serve, particularly the groups of people most in need. The state must be reduced to a reasonable size. Many public companies had a spurious birth because they were created to give jobs to people who would seek bribes, "commissions," etc. That is why Congress approved a law creating a framework for privatizations. That is the right path to achieve the desired level of efficiency.

[NOTICIAS] Why would businessmen, for instance, bet on Laino for president?

[Laino] I think businessmen are interested in clear rules of the game. They are interested, for instance, in a truly independent judicial branch capable of administering their conflicts adequately. I think they are interested in a market economy devoid of illegal proceedings. They want legalization of all black market capital operating in the import and export market. I am, of course, speaking about the serious and efficient entrepreneur who seeks to produce goods at the lowest possible price and the highest possible quality.

[NOTICIAS] A PLRA [Authentic Radical Liberal Party] faction has accused you of being too self-centered and having anointed yourself as candidate through a publication in a newspaper in which you used pompous language reminiscent of the Stroessner era. What can you tell us about these charges?

[Laino] I think the use of publications to get votes is widely used throughout the world. This process began here when a group of people proposed my candidacy. Other people have joined the process gradually since then. This is done in the United States and in Europe by Christian democrats, social democrats, and socialists. Political parties do it in Argentina, Brazil, and throughout Latin America.

It is a very common thing. I do not think too much about that type of criticism because the publications have not been unethical or immoral. I do not think these publications will even hurt our internal dialogue. In any case, and as a last resort, the party might chose another candidate and the people will decide.

[NOTICIAS] Would you agree to change the electoral code to introduce the Lema System [electoral system in which the party candidate with the most votes carries all his party's votes and the party with the most votes wins the election]?

[Laino] There is a very revealing experience in that respect. Uruguayan Blanco Party leader Wilson Ferreira Aldunate won the election but he was not appointed president. He was a very close friend of mine. Every time I visited Uruguay he invited me to visit his Lema [party faction] office. One day I asked him why he brought me

to his Lema office instead of his party office. He said: You will only find a telephone and a secretary at the party headquarters. There is no political life there. In Uruguay, partisan activities are carried out by the Lemas. We must recognize that the Lema System disintegrates parties into small factions. Ferreira Aldunate used to say that he accepted the Lema System only as a transitional and transitory tool because the only thing the system accomplished was to shatter and atomize political party structures. I would not agree to including it in the electoral code.

[NOTICIAS] Have you chosen a running mate?

[Laino] No. I have not done that yet.

[NOTICIAS] What are your feelings at this moment, as you begin your race for the presidency?

[Laino] I have a feeling of trust. We believe that these elections will be a lot better than the previous one. We are conscious that PLRA followers and sympathizers are really numerous. But this will not prevent us from concluding alliances and agreements with other groups through dialogue. There will be changes in 1993 with the new government.

[NOTICIAS] Who do you consider your greatest adversaries in the campaign that is already under way?

[Laino] The Colorado Party is a large party, a traditional and strong party. The independents also are working hard.

[NOTICIAS] Are you forecasting a tough political campaign?

[Laino] It will be an interesting political contest but I am sure we are going to win.

[NOTICIAS] As a deputy in 1970 you sponsored a project in Congress to nationalize Repsa [Paraguayan Refineries, Inc.], the company that administered the oil business in the country at that time. Today you support privatization. How do you explain these two conflicting positions?

[Laino] Well, I also have been asked why I am no longer as tough and critical as in the past. This only points to an intelligent political attitude. It would have been worse if today, when conditions have changed so dramatically, I thought just as in the past.

[NOTICIAS] But what about Repsa?

[Laino] We proposed the nationalization of Repsa then because the company was a source of incredible corruption. The company was mainly owned by foreign interests, especially French, U.S., and Argentine interests. We were convinced that a nationalized Repsa would be less corrupt and damaging to the country. We chose the lesser evil; if state administrators were to steal the money, at least it would have stayed in the country. There was no alternative. We could not have asked that it be privatized because Repsa was already privately owned.

Today we are living a different situation. We should find a way to turn Petropar [Paraguayan Petroleum, Inc.] over to the private sector but avoid what was wrong with Repsa's administration, naturally.

[NOTICIAS] Perhaps that example could be interpreted as meaning that the privatization of a company alone does not guarantee that it will be efficiently and honestly administered.

[Laino] That is right. I think the participation of private capital in Petropar would be very useful.

We have to consider that we still have irregular situations such as Petropar's policy of giving free gasoline, which is paid for by the people, to some members of the military and civilians.

The insertion of private capital in the company would add a measure of supervision to oil related deals.

Peru

* Senator Comments on Crop Substitution Program

92WD0460Z Lima EL COMERCIO in Spanish 1 Mar 92 p A4

[Text] Peru must seek other sources of foreign financing to fund a crop substitution program to replace coca leaves with alternate crops, while also working to obtain assistance from international private companies operating in Peru.

This statement was made yesterday by the chair of the Senate's Special Standing Committee on the Drug Traffic, Absalon Alarcon Bravo de Rueda (PAP [Aprista Party of Peru]), who said the coca plantations in Peru have spread until they now cover 350,000 hectares of our forest lands.

Commenting on the United States' refusal to provide more funding for the crop substitution program, the parliamentarian noted that at the present time Peru has limited budget resources available for coca substitution programs. He said the parliamentary group is willing to cooperate with the Executive, so that the 1993 budget will include resources for agroindustrial development in the Andean Trapezoid and the Upper Huallaga Valley.

Alarcon explained that the spread of coca plantations has a negative ecological impact. These plantations have already destroyed 300,000 hectares of woods, and there is a danger of exterminating native communities, like the Ashaninkas, the Aguarunas, and Huitotos, who live in the eastern belt.

He proposed that Peru take urgent steps to combat the drug traffic, such as coordinating legislation with Bolivia, the second major coca producer, creating severe

penalties for drug traffickers; and establishing a reciprocal data bank to fill in the information gap we now have. This will be an important factor in making major progress in applying antidrug policies.

He called upon local and regional governments as well as private companies in Peru to help with this effort against the drug traffic; no part of society can be excluded from this crusade.

Finally, the legislator announced that a forum called "The Drug Traffic, the World's Problem" will be held next July to call the international community's attention to multinational responsibilities in solving the scourge of the illegal drug business.

* Study Details Socioeconomic Levels in Lima

92SM0309A Lima PERU ECONOMICO in Spanish Feb 92 pp 16-17

[Text] Peru has a social structure with a middle class which has been reduced in size and has been seriously affected by the economic crisis. A majority of the people of Peru live in recently established villages. The changes in the Peruvian social and economic structure show that the quality of life of the people continued to deteriorate in 1991.

According to a study by the Division of Opinion and Marketing of APOYO, the proportion of people in levels A and B—the two highest levels—declined between 1990 and 1991 from 2.2 to 1.8 percent and from 12.4 to 10.1 percent, respectively. During the same period of time the proportion of the population belonging to levels C and D increased from 28.9 to 29.5 percent and from 56.5 to 58.6 percent, respectively. The causes of these changes were hyperinflation, the recession, internal and external migration, and the more rapid demographic growth of the poorest people.

This composition is important, both from the social as well as the managerial point of view. In deciding on the production or importation of some product, a mistaken calculation of the size of the potential market and its characteristics apparently can make the most attractive business fail. This apparently happened to many importers, who overestimated the size and purchasing power of the middle class.

The studies made in this field by APOYO assumed that within a given social and economic level (NSE) there are persons who share certain economic and social conditions which, in turn, are different from those of other groups. For example, it is important to stress that in each NSE there are people who live in different residential areas.

The Minority

The highest living level (A) in metropolitan Lima is made up of about 40,000 families. In this stratum are upper and upper middle class people. The average monthly income of a family in category A is more than $3,000, while in category B income ranges between $1,200 and $3,000. The majority of the heads of family in these categories are executives, businessmen, and independent professional workers [e. g., doctors, dentists, lawyers]. Nevertheless, these income figures for social and economic category A must be considered with caution, since their range is rather considerable. At the same time, at this level it is a common experience to find extraordinarily high incomes accounting for a high proportion of total income, which was not admitted to the polltakers. Those who are in this category are generally of the white race, were born in Lima, and have attended university. Their houses are in upper class residential areas.

Apart from the level of income, another characteristic which distinguishes the upper and upper middle categories is the size of the home. This is measured by indicators giving the average number of bedrooms, baths, interior doors, and electric light fixtures.

In metropolitan Lima social and economic category B consists of about 250,000 families. In this case the sub strata in the APOYO study are: typical middle class (B1), emerging middle class (B2), and lower middle class (B3). These sub strata have more definite differences between them. There are about 100,000, 50,000, and 75,000 families in categories B1, B2, and B3, respectively. In categories B1 and B2 the average monthly income is about $750, whereas in category B3 it is between $120 and $300. In terms of the indicated levels of income and the cost of the basic market basket (APOYO estimates it at $288.40), this indicates that, beginning with category B3, there are families living in poverty.

What distinguishes those belonging to categories B1 and B2 is basically their ancestry, which is reflected in the fact that those belonging to category B1 are of the white race, have higher levels of education, and live in more prestigious, residential areas. Category B2 is made up of people who live in more crowded neighborhoods. However, this category can be considered middle class in terms of their level of income. Nevertheless, it has been noted that in this last named category there is greater austerity in the way they live. They have a smaller number of household appliances, bedrooms, interior doors, and electric light fixtures. Furthermore, in category B1 the families have automobiles, which is not always the case in category B2.

The members of social and economic category B3 have had some higher education, have a larger number of household appliances, electric light fixtures, and rooms than those in category B2 [as published]. They live in middle-class residential areas and have an automobile. Although families in sub stratum B3 share the above mentioned characteristics with category B1, their homes and household appliances are in poorer condition than those belonging to families in the B1 category.

The Majority

The majority of the people of Peru are in category C or below. In Lima this group consists of about 500,000 families which live in lower class neighborhoods. The majority of the people making up category C are mestizos. They have only refrigerators, have no automobile, have black and white television sets, and use the medical service of the IPSS [Peruvian Institute of Social Security]. APOYO classifies this social and economic level into three sub strata: low and rising (C1), low and emerging (C2), and low typical (C3).

A majority of those in category C1 (about 100,000 families in Lima) are technicians and small businessmen with high school educations whose average income is $450 per month. Category C2 (100,000 families) consists of civil servants and independent professional workers with some higher education and with an average income of $210 per month. And category C3 (300,000 families) includes laborers and workers in the informal [black market] sector who are of Indian origin and who have monthly incomes equal to those in category C2.

There are some characteristics which mark the differences between the sub strata of category C. Among them is the fact that, while families in category C1 have gas stoves, families in categories C2 and C3 have kerosene stoves. The number of household appliances for families in sub strata C1, C2, and C3 averages 11.5, 9.8, and 9.5, respectively. In category C1 families have a larger average number of electric light fixtures per home (8.1) than in categories C2 and C3 (6.2 and 6.5, respectively). Nevertheless, on the average those families in the C3 category have more rooms per house (5) than those in C1 (4.6) and C2 (4.4).

The most deprived social and economic level, category D, is made up of people who have moved from the mountains to the metropolitan Lima area over the past few decades. This category is made up of 450,000 families, some 200,000 of which are in the low emerging group (D1), while the rest are in the low typical group (D2). The heads of family of this category are of mestizo ancestry and are engaged in manual labor or in informal [black market] commerce. On the average, the monthly incomes of those in sub strata D1 and D2 are $180 and less than $120, respectively. This is the principal indicator which determines the difference between them. In many cases those in sub strata D1 and D2 live in shacks in outlying areas of metropolitan Lima. They have kerosene stoves and use public health services. At the same time they have access to municipal water services but only have piped cold water in their homes.

There is a rather high level of crowding in category D. Evidence of this is the fact that the average number of rooms per family in sub stratum D1 is 3.2 and 2.9 in sub stratum D2, for families which are generally very large. Furthermore, at this level they live under precarious health conditions. The average number of bathrooms per family for sub strata D1 and D2 is 0.6 and 0.5, respectively.

According to these indicators, the social and economic level of category D reflects a situation of extreme poverty. According to the base study carried out by APOYO for this article, in the rural areas of Peru there is also a sub stratum called D3, which includes those Peruvian families which live in a condition of absolute poverty.

Uruguay

Lacalle Receives Colombian Foreign Minister

PY3103015892 Montevideo Radio Carve in Spanish 0000 GMT 31 Mar 92

[Text] Uruguay and Colombia will sign agreements for judicial cooperation and the creation of joint commissions to promote exchange in the commercial, cultural, and academic areas. This agreement was reached at the end of the visit to Montevideo by Colombian Foreign Affairs Minister Nohemi Sanin, who held meetings with President Luis Alberto Lacalle and her Uruguayan counterpart, Hector Gros Espiell.

The Colombian foreign minister also said she was visiting the ALADI [Latin American Integration Association] as a way to express her country's support for that association, which is studying a rationalization project in the quest for more effectiveness. Regarding her activities in Uruguay, the Colombian minister said:

[Begin Sanin recording] President Lacalle very generously and cordially explained the opening process and the Mercosur [Common Market of the South] integration process, especially on the situation of the Mercosur member countries, namely of Uruguay. He stressed the development aspect.

With the Uruguayan foreign minister we talked about several issues. We talked about the Rio Group [passage indistinct] [end recording]

Venezuela

Strikes, Demonstrations Continue Despite Warnings

PA3103044492 Mexico City NOTIMEX in Spanish 0020 GMT 31 Mar 92

[Text] Caracas, 30 Mar (NOTIMEX)—A strike by 9,000 justice workers on 30 March marked the beginning of another week of protests against the government, as a political crisis has begun to surface within the government.

The work suspension at the country's courts was to reaffirm the workers' demand for payment of a multimillion debt presented on 26 March, which the government of President Carlos Andres Perez promised to pay in 1991.

In Cabimas, an oil production area in the western region, neighborhood committees staged riots and clashed with security forces during a demonstration in demand of water that began at 0400 (0800 GMT). The call for a seven-hour civic strike in that city, about 700 km east of Caracas, resulted in 12 people wounded and 50 arrests, according to local news reports.

On the political scene, the Democratic Action [AD] Party's National Executive Committee on 30 March sanctioned two of its deputies, Raul Matos and Cristobal Hernandez, who backed a vote of no confidence during the week of 23 to 27 March against three of Perez' economic ministers.

Luis Emilio Rondon, a party spokesman and AD under secretary general, said that the two militants disregarded the "party line" that the 97 AD deputies agreed to follow at the congress in order to counter the socialist proposal. Although the no confidence motion was defeated, the Chamber of Deputies voted 100 to 90 against Minister of Agriculture Jonathan Coles, which constitutes a "moral condemnation" against Perez' austerity policies, according to opposition members. Had the motion carried, it would have meant the government official's immediate removal. An affirmative vote of 134 of the 201 deputies was needed (two thirds) for the measure to be approved.

Rondon explained that, given Matos' and Hernandez' "repeated rebellious conduct," the party has decided to expel them from the AD rank and file. He said the disciplinary tribunal will review the cases and decide on their possible exclusion.

The president's promise to restore constitutional guarantees in March that were suspended following the failed 4 February coup attempt dwindled amid announcements of further protests.

Sanitary workers will begin a 24-hour strike on 31 March, starting at 0600, to protest the firing of employees from a local agency office. Neighborhood and student organizations and relatives of the soldiers who participated in the February rebellion reiterated their call for a "march of silence" through downtown Caracas on 2 April.

The demonstrators will demand the resignation of President Carlos Andres Perez "by 2000 on 8 April [0000 GMT 9 April]," in addition to their demands for restoration of constitutional guarantees and amnesty for the soldiers who staged the coup attempt.

Interior Minister Luis Pinerua said no illegal marches will receive government authorization and that "we will be forced to take measures, given the persistence of this conspiracy, to prevent these actions from being carried out."

The organizations responded by saying that freedom of movement cannot be suspended and that the government has no reason to prohibit the march, during which some demonstrators will wear gags over their mouths.

The official said, "the government is willing to fully restore constitutional guarantees, much sooner that most expect," but gave no dates. Freedom to demonstrate, freedom to gather, and the right to privacy in the home remain suspended, following the restoration of freedom of speech, freedom of the press, and freedom of movement, among others.

Other demonstrations set for upcoming days include a call for a civil strike on 8 April and an evening protest at 2000, using whistles instead of saucepans, which have already been pounded three times in Venezuela's main cities since 27 February.

Pinerua: Rights To Be Restored 'Very Soon'

PA3103033492 Caracas Venezolana de Television Network in Spanish 0000 GMT 31 Mar 92

[Report by Ricardo Mateus]

[Text] Interior Affairs Minister Luis Pinerua Ordaz said on 30 March that the government is willing to reinstate constitutional guarantees earlier than many expect. He made those remarks during a meeting with board members of the National Association of Journalists [CNP].

Pinerua Ordaz heard the views of CNP President Santiago Betancourt Infante and other CNP leaders who told him of their concern about the attitude of some policemen who attacked newsmen covering the recent demonstrations. Betancourt Infante told Pinerua about the number of newsmen who were injured or had been arrested in street demonstrations.

[Begin Betancourt recording] The minister apologized for the government because this was not really a deliberate attack on newsmen. We told him, however, that newsmen can be easily identified in all demonstrations if they would only use the best instrument possible—their intelligence. Pinerua Ordaz said he would take steps to avoid a reoccurrence of this situations if there are future protests. [end recording]

After carefully listening to the comments by the CNP leaders, Interior Affairs Minister Pinerua Ordaz said that top officials have not given orders to prevent newsmen from doing their work.

[Begin recording] [Pinerua] It is regrettable that these incidents have had a direct impact on newsmen. We hope, we will try, to take all the necessary preventive measures so that similar situations do not happen again.

[Unidentified reporter] Will you allow the upcoming 2 April march?

[Pinerua] The government cannot authorize any illegal march. Since constitutional guarantees are suspended, there are no permits to organize demonstrations.

[Reporter] When will the guarantees be reinstated?

[Pinerua] Very soon.

[Reporter] When is very soon? Days, weeks?

[Pinerua] I cannot give a specific date. Despite attempts to keep the country in a state of constant unrest, the government trusts and is most willing to reinstate full constitutional guarantees sooner than some people expect. [end recording]

In conclusion, Pinerua Ordaz said that he joined the government solely to defend democracy.

AD Leader Says Government Making Prompt Changes

PA3003184692 Caracas Venezolana de Television Network in Spanish 1550 GMT 30 Mar 92

[Text] During an Operational Committee meeting at La Casona on 30 March, Venezuelan President Carlos Andres Perez and members of the Democratic Action Party [AD] considered the latest events in the country, the party's internal situation, and a report presented by Interior Minister Luis Pinerua Ordaz concerning the resurgence of organized violence. They immediately set out to find mechanisms to eradicate the violence and preserve the public order that currently prevails throughout the national territory.

[Begin recording] [AD Leader Luis Emilio Ronson] We are currently in a state of total public order. There are indications that a front is being organized to subvert public order, which has nothing to do with constitutional guarantees. On the contrary, we are willing to restore guarantees very soon; the full restoration of constitutional guarantees will soon be announced officially.

[Unidentified reporter] In days or weeks?

[Rondon] Weeks, days.

[Reporter] What was said regarding internal problems in response to [words indistinct]?

[Rondon] We did not discuss that because it does not fall within the president's range of duties.

[Reporter] How do you interpret the need for prompt and profound changes? The people feel that you are working very slowly on the changes that must be made.

[Rondon] State bureaucracy is very slow. Changes have been announced, and the resolve to make changes exists but, unfortunately, administrative red tape prevents a fluidity of action, and the people cannot see the prompt changes being made. It is our duty to make these changes and we are creating mechanisms to make them as quickly as possible. [end recording]

Ochoa Denies Reports of Military Conspiracy

PA3003202392 Madrid EFE in Spanish 1649 GMT 30 Mar 92

[Text] Caracas, 30 Mar (EFE)—On 30 March, Venezuelan Defense Minister General Fernando Ochoa Antich denied reports of an alleged conspiracy within the Navy or other military branches against the constitutional government following a foiled coup on 4 February.

Ochoa's comment referred to a statement by journalist and former presidential candidate Jose Vicente Rangel on 29 March, during a widely seen television program. Rangel said he has information that proves a coup is being plotted within the Venezuelan Navy.

The defense minister said the Armed Forces' members "remain united in the fulfillment of their constitutional duties, convinced that the principles that support the military organization are command unity, discipline, loyalty, and subordination."

Rumors circulated in Caracas two weeks ago on the alleged arrest of 50 Navy officers for participating in a conspiracy, but this was denied by the defense minister.

The Caracas newspaper EL NUEVO PAIS said in its 30 March edition that an Air Force colonel and lieutenant colonel met with a group of officers in Barquisimeto, 360 km west of Caracas, reportedly to discuss the takeover of Congress and the kidnapping of parliamentary members and to demand President Carlos Andres Perez' resignation.

The reports about new conspiracies and the danger of a new coup plan were analyzed by leaders of the most important political parties. Deputy Teodoro Petkoff, leader of the Movement Toward Socialism (MAS), the third most important political group in the country, warned on 30 March about the possibility of a second coup. Petkoff said the uneasiness that led to the 4 February coup has not ended, adding that "unrest" prevails within the Armed Forces. The socialist leader said "Venezuela's essential problem is President Perez," and insisted that his resignation or a reduction of his presidential term is the "only possible democratic solution."

Social Christian Party leader Jose Rodriguez Iturbe, member of the Chamber of Deputies Foreign Policies Commission, said "not even a coup justifies foreign intervention" in Venezuela. "The United States can now afford to influence OPEC," Rodriguez Iturbe stressed. In his opinion, this eliminates the possibility of a U.S. invasion in Venezuela.